



CHROMATIC INDIA LIMITED

29TH ANNUAL REPORT
2015-2016

Route Map



Address / Venue: 207, Vardhaman Complex, L.B.S Marg,
Vikhroli (W), Mumbai – 400 083.

Prominent Land Mark: Home Town Mall

**The Twenty Ninth Annual General Meeting of
The Members of Chromatic India Limited is
Scheduled on Thursday, the 11th day of
August, 2016 at 11.00 A.M.**

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Corporate information

Board of Directors

Mr. Vinod Kumar Kaushik	-	Whole-time Director
Mr. Ajay Singh Sethi	-	Non Executive & Independent Director
Mr. Chirag B Shah	-	Non Executive & Independent Director
Ms. Diana M Joshi	-	Non Executive & Independent Director

Company Secretary & Compliance Officer

Ms. Suruchi D Pednekar

Auditors

M/s. S. K. Badjatya & Co.,
Chartered Accountants

Bankers

Bank of India, Axis Bank Ltd., Central Bank of India, State Bank of India

Registered Office

207, Vardhaman Complex Premises Co. op. Society Ltd.,
L.B.S. Marg, Vikhroli (West), Mumbai – 400 083
Tel. No. +91 22 6136 9800
Fax No. +91 22 25793973
Email: chromatic@mtnl.net.in, cs@chromatic.in
Website: www.chromatic.in
CIN: L99999MH1987PLC044447

Registrar & Share Transfer Agent

M/s. Bigshare Services Private Limited

CIN: U99999MH1994PTC076534
E/2&3 Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri (E), Mumbai – 400 072
Tel No. : +91 22 40430200
Fax no. : +91 22 28475207
Email: investor@bigshareonline.com
Website: www.bigshareonline.com

**NOTICE TO SHAREHOLDERS**

NOTICE is hereby given that the 29th Annual General Meeting of the Members of **Chromatic India Limited** will be held on Thursday, August 11, 2016 at 11.00 a.m. at 207, Vardhaman Complex Premises Co. op. Society Ltd., L.B.S. Marg, Vikhroli (West), Mumbai – 400083, to transact the following business: -

Ordinary Business**Item No. 1- Adoption of financial statements for the year ended March 31, 2016**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016, including audited balance sheet as at March 31, 2016 and the Statement of Profit and Loss Account for the year ended on that date, on a standalone and consolidated basis, together with the Reports of the Board of Directors and the Auditors thereon.

Item No. 2- Appointment of Director retiring by rotation

To appoint a Director in place of Mr. Vinod Kumar Kaushik (DIN No. 02586479), who retires by rotation and, being eligible, offers himself for reappointment.

Item No. 3- Ratification of Appointment of Statutory Auditors

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 (the rules) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), appointment of M/s. S. K. Badjatiya & Co., Chartered Accountants, (ICAI Firm Registration No. 004017C), who have confirmed their eligibility to be appointed as Statutory Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and is hereby ratified to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors based on the recommendation of the Audit Committee.

RESOLVED FURTHER THAT any of the Directors of the Company or the Company Secretary be and are hereby severally authorised to certify the true copy of the resolution and furnish the same to any other concerned authorities for their record and necessary action.”

Special Business**Item No. 4- Determination of Fees under Section 20 of the Companies Act 2013, as an Ordinary Resolution:**

“RESOLVED THAT in supersession to all earlier resolutions passed in this regard, pursuant to the provisions of Section 20 of the Companies Act 2013, Rules made there under, SEBI Rules, Regulations and any other Law, Rules, Regulations, as applicable, for the time being in force, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to give power to the Board of Directors of the Company to decide, demand, charge, collect, or receive any such amount of fees in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the company and no such request shall be entertained by the company post the dispatch of such document by the company to the shareholder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, director (s) or key managerial personnel of the company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to above resolution.”

By Order of the Board of Directors
For Chromatic India Limited

Suruchi Pednekar
Company Secretary

Registered Office

207, Vardhaman Complex Premises Co. op. Society Ltd.,
L.B.S. Marg, Vikhroli (West), Mumbai – 400083

Place: Mumbai

Date: June 29, 2016



Notes:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The proxy form, forming part of this Notice is annexed at the last page of this Annual Report.

2. During the period beginning 24 hours before the time fixed for the Commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company, provided that not less than three days of notice in writing is given to the Company.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Proxies submitted on behalf of companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable.
5. Route Map of the venue of this Annual General Meeting, as a part of this notice is given soon after the cover page of this Annual Report 2015-16
6. The Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 setting out the material facts in respect to the Special Business in annexed herewith.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, August 7, 2016 to Thursday, August 11, 2016 (both days inclusive) for the purposes of this Annual General Meeting.
8. The relevant details as required by Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as the "Listing Regulations") entered into with the Stock Exchanges, of persons seeking appointment / re-appointment as Directors are annexed to this notice as "Annexure A".
9. Members are requested to update their Bank Account Number, Name and Address of the Bank / Branch, change in their address and other details to the Registrar and Share Transfer Agent of the Company i.e. M/s Bigshare Services Private Limited in respect of shares held in physical mode and to their respective DPs for demat mode.
10. For convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by way of attendance slip; forming part of this Annual Report. Members / proxies are requested to bring their duly-filled Attendance Slip and sign the same at the place provided and hand it over at the entrance of the venue.
11. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days between 11.00 am to 1.00 pm, except Saturdays and Public holidays up to the date of this Annual General Meeting.
12. Members desirous of obtaining any information / clarification (s) concerning the accounts and operations of the Company or intending to raise any query are requested to forward the same at least 10 days before the date of meeting to the Company Secretary at the Registered Office of the Company so that the same may be attended appropriately.
13. Unclaimed dividend for the financial years 2009-10, 2011-12 and 2012-13 are still lying in the respective unpaid dividend accounts of the Company. Members, who have not encashed the dividend warrants for the said financial years, are requested to contact the Company's Registrar and Share transfer agent, Bigshare Services Private Limited at the earliest.
14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of



names are requested to send the share certificates to Bigshare, for consolidation into a single folio.

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Bigshare Services Private Limited.
16. To support the "Green Initiative", the Members who have not registered their e-mail address so far are requested to register their e-mail address with the Company / M/s. Bigshare Services Private Limited / Depositories for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
17. The Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail address are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies is being sent by the permitted mode under Companies Act, 2013. The Annual Report is also available for download at the website of the Company at www.chromatic.in
18. 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 the provisions of the Listing Regulations, entered into with the Stock Exchanges, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice. Further note that members who has voted by e-voting services cannot vote at the AGM
19. The Company has appointed Ms. Nishi Jain, Practicing Company Secretary (Membership No. 22386) as Scrutinizer to conduct the e-voting in a fair and transparent manner. The Scrutinizer shall within a period of not exceeding 3 working days from the conclusion of voting period, shall unblock the votes in presence of two witness, who are not in employment of the Company and after scrutinizing the votes received shall make a Scrutinizer's report of the votes casted in favor or against or invalid votes in connection with the resolution(s) mentioned in the Notice of the Meeting and submit the same forthwith to the Chairman of the Company.
20. The results declared along with Scrutinizer's report shall be placed on the website of the Company immediately and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of AGM.
21. Instructions and other information relating to e-voting are as under:
 - i. The E-voting period for all items of business contained in this Notice shall commence from Monday, August 8, 2016 at 9.00 a.m. and ends on Wednesday, August 10, 2016 at 5.00 p.m. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form as on the cut-off date of Thursday, August 4, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by any Member, he / she shall not be allowed to change it subsequently.
 - ii. The shareholders should log on to the e-voting website i.e www.evotingindia.com.
 - iii. Click on "Shareholders" tab to cast your votes.
 - iv. Now Enter your User ID
 1. For CDSL: 16 digits beneficiary ID,
 2. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 3. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - v. Next enter the Image Verification as displayed and Click on Login.
 - vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.



vii. If you are a first time user follow the steps given below –

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders).</p> <ol style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the bank records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the bank records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

viii. After entering these details appropriately, click on “SUBMIT” tab.

- ix. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Now, select the Electronic Voting Sequence Number - “EVS” for the relevant to Chromatic India Limited. “COMPANY NAME” from the drop down menu on which you choose to vote.
- xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the “RESOLUTION FILE LINK” if you wish to view the entire Resolutions.
- xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take print out of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system
- xviii. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. Note for Non-Individual Shareholders and Custodians

* Non-Individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.



CHROMATIC INDIA LTD

- * A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com .
 - * After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - * The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - * A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- xxi. In case of members receiving the physical copy:
- * Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
 - * The E-voting period for all items of business contained in this Notice shall commence from Monday, August 8, 2016 at 9.00 a.m. and ends on Wednesday, August 10, 2016 at 5.00 p.m. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form as on the cut-off date of Thursday, August 4, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by any Member, he / she shall not be allowed to change it subsequently.
 - * In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board of Directors
For Chromatic India Limited

Suruchi Pednekar
Company Secretary

Place: Mumbai
Date: June 29, 2016

STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item No. 4:

As per the provisions of Section 20 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), a member may request for any document through a particular mode, for which the member shall pay such fees as may be determined by the Company in its Annual General Meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed to give power to the Board of Directors of the Company to decide, demand, charge, collect, or receive any such amount of fees in advance from the requesting member (s) of the Company.

Therefore, the Board of Directors of your Company has recommended passing of the Ordinary Resolution as contained in Item No. 4 of this notice.

None of the Director (s) and / or Key Managerial Personnel of the Company or their relatives is concerned or interested in any way in the proposed resolution.

By Order of the Board of Directors
For Chromatic India Limited

Suruchi Pednekar
Company Secretary

Place: Mumbai
Date: June 29, 2016



Annexure A

Details of Directors seeking Appointment /Re-appointment at this Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Under Section 152(6) of the Companies Act, 2013 at every AGM, one third of the directors are liable to retire by rotation, shall retire from office. The directors to retire by rotation at every AGM shall be those who have been longest in office and between those who became directors on the same day by mutual agreement or lot.

Mr. Vinod Kumar Kaushik(DIN: 02586479), Whole Time Director, is liable to retire by rotation. In compliance with Section 152 of the Companies Act, 2013, Mr. Vinod Kumar Kaushik shall, by mutual agreement, retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. As per the terms of his appointment, re-appointment at the AGM as a director retiring by rotation would not constitute break in his appointment as a Whole-time Director.

Brief resume of director to be re-appointed, nature of expertise in specific functional areas, shareholding and relationships between directors inter-se, names of companies in which he holds directorships and membership/chairmanships of Board Committees as stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided below:

Name of the Director	Mr. Vinod Kumar Kaushik
Father's Name	Mr. Maheshwar Dayal Kaushik
Designation	Executive, Whole Time Director
Date of Birth	February 01, 1949
Nationality	Indian
Date of Appointment on Board	April 01, 2009
Qualifications	MA, Maths
Expertise	Wide experience in Finance & Administration.
Directorships held in other Public Companies (Excluding foreign companies and Section 25 Companies)	(i) Chromatic Sponge Iron Limited (ii) Chromatic Ferro Alloys Limited
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders Relationship Committee)	NIL
Number of Shares held in the Company	100
Relationships between the Directors inter – se	NIL

**BOARD'S REPORT****To the Members,**

Your Company's Directors are pleased to present the 29th Annual Report and the audited accounts of the Company for the financial year ended March 31, 2016.

Financial Results

The summary of the financial performance of the Company for the financial year ended March 31, 2016 compared to the previous year ended March 31, 2016 is summarized below:

(In Rupees)		
Particulars	2015-16	2014-15
Net Sales and Other Income	295,862,110	414,015,616
Profit/ (Loss) Before Tax	255,981	488,640
Add / (Less): Deferred Tax Adjustments	(75,571)	95,285
Less: Current Income Tax	48,000	80,000
Less: Fringe Benefit Tax	-	-
Less: Wealth Tax	-	-
Profit/(Loss) after Tax	270,442	313,355
Add/(Less): Prior Year short provision for Tax	-	-
Balance Brought Forward	8,384,862	8,845,648
Amount Available for Appropriation	8,654,703	8,384,862
Appropriations:		
Dividend/Interim Dividend on Equity Shares	-	-
Tax on Dividend	-	-
Surplus / Deficit Carried Forward	8,654,703	8,384,862

Review of Performance

Your directors reports total income of Rs. 29.59 crores for the financial year ended March 31, 2016 as against Rs. 41.40 crores for the financial year ended March 31, 2015, a decrease of 28.53% compared to last financial year. The profit before tax is Rs. 2.5 lacs for the year ended 2015-16 compared to Rs. 4.88 lacs for the year ended 2014-15, a decrease of 48.77% compared to the last financial year. The Net profit after tax is Rs. 2.7 lacs for the financial year 2015-16 as against Rs. 3.13 lacs for the financial year 2014-15, a decrease of 13.74 % compared to last financial year.

Dividend

To conserve the financial resources, no dividend has been recommended for the year under review and no amount are proposed to be transferred to reserves.

Transfer to Reserve

No amount is proposed to transfer to the General Reserve Account as required under the Companies Act, 2013.

Management Discussion and Analysis

The Management's Discussion and Analysis on Company's performance – industry trends and other material changes with respect to the Company and its subsidiaries pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after called as the "Listing Regulations") is presented in a separate section forming part of this Annual Report.

Material Changes/ Commitments affecting the Financial Position of the Company occurred between the end of the Financial Year to which the Financial Statements relate and the date of this Report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of this report.

**Internal Financial Control (IFC) System and their adequacy**

The Company's present Internal Control Systems are commensurate with its size. However, looking at the growth in the size of the Company and its operations it is strengthening these systems further. The Company places great emphasis on the maintenance of effective internal controls, both from the point of view of compliance with statutory requirements as well as supporting the smooth and efficient running of the business.

The Management is taking further initiatives in terms of adding more capacities, which would have significant benefit in the coming years.

A process driven framework for Internal Financial Control has been designed and implemented by the Company within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. For the financial year ended March 31, 2016, the Board is of the opinion that the Company has sound Internal Financial Control which commensurate with its size and nature of its Business operations and operating effectively and no material weakness exist.

The Company has appointed M/s. Ponkshe Kulkarni & Co.(FRN: 107962W) Chartered Accountants, as Internal Auditors of the Company pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of The Companies (Accounts) Rules, 2014.

Corporate Governance and Shareholders Information

Your Company has taken adequate steps to adhere to all the stipulations laid down in the provisions of the Listing Regulations. A report on the Corporate Governance is included as a part of this Annual Report. A Certificate from the Practicing Company Secretary, confirming the compliance with the conditions of the Corporate Governance as stipulated under Listing Regulations, forming a part of this Annual Report.

Subsidiary Company / Associate / Joint Venture Company

As on March 31, 2016, your Company has three wholly owned subsidiaries (WOS), namely,

1. Chromatic Ferro Alloys Limited
2. Chromatic Sponge Iron Limited
3. Chromatic International FZE

The Company had formed three 100% wholly – owned subsidiary, namely Chromatic Ferro Alloys Limited, Chromatic Sponge Iron Limited and Chromatic International FZE on 13th September, 2011, 12th September, 2011 and 21st October, 2010 respectively.

The Company will make available, on request, the Annual Accounts of the subsidiary companies and the related information to any member of the Company who may be interested in obtaining the same. These documents will also be kept open for inspection during the business hours at the Registered Office of the Company. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

During the year under review, Company does not have any associate company and joint venture company pursuant to the provisions of Companies Act, 2013. Your company has decided to close down two subsidiary Companies, viz, Chromatic Ferro Alloys Limited & Chromatic Sponge Iron Limited which have not yet started any operations.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement, in Form AOC-1, containing the prescribed details of subsidiaries is attached to this Annual Report, as annexure A.

Policy for determining material subsidiaries is disclosed on the website of the Company at www.chromatic.in

Further, the Company does not have any Joint Venture or Associate Company.

Listing of Equity Shares

The equity shares of your company are listed on Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE) and the Luxembourg Stock Exchange (LUXSE), Luxembourg. The equity shares of the Company was listed and admitted for dealing on National Stock Exchange with effect from 29th May, 2012. The annual listing fees for the year 2016-17 is already paid to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, whereas the payment to the Luxembourg Stock Exchange is yet to be made.

**Human Resource Development**

Company encourages a culture that develops and empowers people, promotes team building and nurtures new ideas. The Company's recruitment practice ensures that suitable candidates with merit are recruited and provided with the right opportunities to grow within the organization.

Depository System

Your Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As of March 31, 2016, 99.63% of the Equity shares were held in demat form. In view of the numerous advantages offered by the Depository system, members holding shares in physical mode are advised to avail of the facility of dematerialization from either of the Depositories. Company's ISIN No. is INE662C01015.

Buy-Back of Shares

During the financial year under review, Company has not announced any Buy-back of its Shares.

Share Capital

During the financial year under review, there is no change in the capital structure of the Company by way of further issue, bonus, sweat equity share, employee stock option scheme or in any other manner. The paid up equity share capital of the Company as on March 31, 2016 was Rs. 710461000/-. As on March 31, 2016, Directors shareholding in the Company and the details thereof are given in the Extract of Annual Return (Form No. MGT-9) in Annexure D to the Boards Report

Pledge of shares

As on March 31, 2016, the Promoter of the Company do not have any shares which are encumbered / pledged.

Board Meetings

During the Financial year, four board meetings were held and the details of which are given in the Corporate Governance Report. The provisions of the Companies Act, 2013, Secretarial Standards as prescribed by the Institute of Company Secretaries of India and the Listing Regulations were adhered to while considering the time gap between the two meetings.

Directors / Key Managerial Personnel**1. Composition of Directors**

During the financial year under review, there is no change in the composition of the Board of Directors of the Company.

2. Declaration by Independent Directors:

In pursuance of Section 149 of the Companies Act, 2013, three of the Director's of the company namely, Mr. Chirag B Shah, Mr. Ajay Singh Sethi and Ms. Diana M Joshi were categorized as Independent Directors in terms of the definition contained in the Equity Listing Regulations and were appointed as Independent Directors at the 27th Annual General Meeting for or term of 3 years.

The provisions of Section 149(4) of the Companies Act, 2013, pertaining to the appointment of Independent Directors have been notified by the Ministry of Corporate Affairs with effect from April 01, 2014. Pursuant to the provisions into force of Section 149 of the Companies Act, 2013, from April 01, 2014, the company has re-assessed the status of its Directors with a view of determining their qualification for categorising as Independent Directors in terms of Section 149(6) of the Companies Act, 2013. Accordingly, Mr. Chirag B Shah, Mr. Ajay Singh Sethi and Ms. Diana M Joshi fulfills the criteria laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the Listing Regulations, in this regard.

Section 149(10) of the Companies Act, 2013 restrict the tenure of Independent Director upto two terms, with a single term not exceeding five years, which shall be effective from April 01, 2014. The Regulation 25 of the Listing Regulations also contains the same provisions relating to tenure of Independent Directors. The said Regulation also contains other obligations with respect to independent directors, which has been duly fulfilled by the Independent Directors of the Company.

The Company has received declaration from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of section 149 of the Companies Act, 2013.

3. Retire by Rotation:

In accordance with the applicable provisions of Section 152(6) of the Companies Act, 2013, Mr. Vinod Kumar Kaushik, Whole time Director, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment at the forthcoming Annual General Meeting. The Board recommends his reappointment.



4. Key Managerial Personnel

Ms. Bhoomika Jain was appointed as Company Secretary and Compliance Officer of the Company effective from 13th July, 2015 by the Board of Directors of the Company. She resigned effective from 1st March, 2016. The Board places on record its appreciation of the immense contribution made by her to the Company.

Familiarization programme for Independent Directors

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

Company's policy relating to Directors Appointment, Payment of Remuneration and discharge of their duties

The provisions of Section 178(1) of the Companies Act, 2013 relating to constitution of Nomination and Remuneration Committee are applicable to the Company and hence the Company has devised a policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under the aforesaid provisions.

Board Evaluation

In accordance with the provisions of the Companies Act, 2013 and Chapter II Regulation 4 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholder relationship Committees.

Directors Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. In the preparation of Annual Accounts for the year ended March 31, 2016 the applicable Accounting Standard have been followed along with proper explanation relating to material departure and there are no material departures from the same;
- 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 as at March 31, 2016, and profit / loss of the company for the year ended on that date;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provision of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the Annual financial statements of the Company on a going concern basis;
- e. Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Auditors and Auditors' Report

Pursuant to section 139 of the Companies Act, 2013 and rules framed thereunder, the Company had appointed M/s. S. K. Badjatya & Co., Chartered Accountants (ICAI Firm Registration no. 004017C), in the previous (28th) Annual General Meeting held on September 30, 2015, as the Statutory Auditor of the Company who shall hold office till the conclusion of third consecutive Annual General Meeting of the Company to be held in the year 2018 (subject to the ratification of the appointment by the members at every Annual General Meeting held thereafter), on such remuneration as may be determine by the Board of Directors of the Company on the recommendation of the Audit Committee.

M/s. S. K. Badjatya & Co., have given their consent to be re-appointed as the Statutory Auditors of the Company and has furnished a certificate of their eligibility under section 141 of the Companies act, 2013 and the rules framed thereunder. As required under Regulation 33(d) of the Listing Regulations, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Board recommends ratification of the appointment of M/s. S. K. Badjatya & Co., as the Statutory Auditors of the Company at the ensuing Annual General Meeting.

**Secretarial Audit**

According to the provision of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel), 2014, The Board of Directors has appointed M/s. R N Gupta & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report submitted by them is enclosed as a part of this Report as Annexure B.

Explanation or Comments on Qualifications, Reservations or Adverse Remarks or Disclaimers made by the Auditors in their Reports:**(i) Statutory Auditor:**

The observations and comments given in the report of the Auditors are as follows:

- * In the opinion of the Board, current assets, loans and advances shall have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known liabilities have been made and contingent liabilities disclosed properly. Balances of sundry debtors, sundry creditors, loans and advances and other personal accounts are subject to confirmation and reconciliation. Consequential impact, if any, will be considered as and when determined.
- * Loans & Advances includes non-interest bearing unsecured loan given to Chromatic International FZE, the subsidiary of the company for overseas Business Development. The subsidiary did not do any business during the year.
- * The Company had made investments in erstwhile subsidiary namely Arcoiris SA with a view to have establishment abroad to penetrate into foreign market. Net worth of Arcoiris SA is fully eroded and the company has been liquidated during the year 2011-12. However, no provision is made for investment made by the company in Arcoiris S.A. as well as the advances and interest receivable, which are doubtful of recovery. The amount has been shown as Long Term Loans & Advances.
- * The Company has made advances for capital work in progress during previous accounting years for setting up of power plant. The procurement has not been done for pending clearances from the Govt. These advances are subject to confirmation and reconciliation.
- * During the year under review, the Company has initiated process of closure of its Indian unlisted subsidiary company, i.e., Chromatic Ferro Alloys Limited, as the company is non operational. The projects / plans of the Company could not be implemented due to operational difficulties. The respective investments in and loan given to these subsidiary companies have not been written off in the books of the Company. The same shall be adjusted / accounted for / written off in the year in which certificate of closure is received from the Registrar of Companies, Mumbai. In view of this the Company's consolidated results consists of Chromatic Ferro Alloys Limited and Chromatic International FZE – 100% non-integral foreign subsidiary together comprise "Group".

Explanation or comments under Section 134(f)(i) of the Companies Act, 2013 in respect of the above Auditors observations are as follows:

- * The management has estimated that the current assets, loans and advances shall have value on realization in the ordinary course of business. Though balances of sundry debtors, sundry creditors, loans and advances and other personal accounts are subject to confirmation and reconciliation, the management feels the same are recoverable.
- * The management is of the opinion that the subsidiary would commence business and the advances lent to the subsidiary would be utilized for the purpose of its business.
- * The amount has been shown as Long Term Loans & Advances in the Financial Statements. Unfortunately, the company has been liquidated during the year 2011-12 and hence recovery of the same is estimated as doubtful. Write off, if any shall be made as observed by the auditors.
- * The Company is awaiting the required approvals for proceeding to set up the power plant.
- * The subsidiary did not do any business during the year, but it is positively estimated that the aforesaid subsidiary may commence business in the next financial year.

(ii) Secretarial Auditor:

The observations and comments given in the report of the Secretarial Auditors are as follows:



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- * There is default in the repayment of loan and interest thereon to the Financial Institution during the period under review. However, as reported by the management, the matter is in process of settlement with the concerned institution.
- * The Company has received a Show Cause Notice cum demand from the Income Tax Assessing officer under Income Tax Act, 1961 during the year under review and the matter is pending before the Commissioner of Income tax (Appeals).

Explanation or comments under Section 134(f)(i) of the Companies Act, 2013 in respect of the above Auditors observations are as follows:

- * The matter is in process of settlement with the concerned financial institution.
- * The Company has raised an appeal against the order of the Assessing officer and the matter is pending before the Commissioner of Income tax (Appeals).

Reporting of Fraud

The Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013.

Shares in suspense account

No equity share of the Company was in suspense account as on March 31, 2016.

Cost Audit

As per the Cost Audit Orders, Cost Audit is not applicable to the Company's products /business for the financial year 2015-16.

Fixed Deposits

Your Company has not accepted any fixed deposits, during the year, under Section 73 of the Companies Act, 2013 and, as such; no amount on account of principal or interest on fixed deposits was outstanding during the period under review.

Consolidated Financial Results

Your Directors provides Audited Consolidated Financial Statements in this Annual Report.

Foreign Exchange Earnings and Outgo

During the year under review, Company has made following transactions in Foreign Currency.

(Rs. in Lakh)

Particular	2015-16	2014-15
Expenditure in Foreign Currency	417.93	1,674.73
Earning in Foreign Currency	2,728.30	3,133.36

Conversation of Energy, Technology Absorption & Foreign Earnings and Outgo:

Information in accordance with the provision of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conversation of energy and technology absorption are as per Annexure-C and forms part of this report.

Environment and Social Concern

Your Company continues its efforts for the betterment of the environment and conservation of scarce natural resources.

Details of Policy Developed and Implemented by the Company on its Corporate Social Responsibility Initiatives

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable on the Company for the financial year ending March 31, 2016.

**Vigil Mechanism**

In pursuant to the provisions of the Section 177(9) and (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.chromatic.in.

Business Risk Management

The principle of Risk Minimization has been followed in the company as is the norm of the every industry, it has now become a compulsion.

Therefore, in accordance with Regulation 17(9) of the Listing Regulations, the members of the Board were informed about the risk assessment and the minimization procedures after which the Board formally adopted the steps for framing, implementing and monitoring the risk management plan of the company.

In today's competitive environment, strategies for mitigating risk while accomplishing the growth plans of the company are imperative.

The common risk interalia are: Business Risk, Technology obsolescence, Investments, Retention of Talent and expansion of facilities.

As a matter of policy, these risks are assessed and appropriate steps are taken to mitigate the same.

Disclosure under Sexual Harassment of Women & Workplace (Prevention, Prohibition & Redressal) Act, 2013

Our company has in place an Anti Sexual Harassment Policy at workplace. Our policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment. During the year ended March 31, 2016 no complaints have been received pertaining to sexual harassment.

Significant and Material Orders Passed by the Regulators or Courts

During the year under review there are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Disclosure of Composition of Audit Committee

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is applicable to the Company. The Composition is in line with the provisions of the Listing Regulations read with Section 177 of the Companies Act, 2013.

Related Party Transactions

The Related Party Transactions that were entered during the financial year were on the Arm's Length Basis and were in the ordinary course of business. There were no Related Party Transactions (RPTs) entered into by the Company during the financial year, which attracted the provisions of section 188 of the Companies Act, 2013.

There were no materially significant transactions with the Company's Promoters; Directors; Management or their Relatives which could have a potential conflict with the interests of the company. Transactions with related parties entered by the Company in the normal course of the business are periodically placed before the committee for its omnibus approval. There being no 'material' related party transactions as defined under regulation 23 of SEBI Listing Regulations, 2015, there are no details to be disclosed in Form AOC-2 in that regard. During the year 2015-16, pursuant to section 177 of the Companies Act, 2013 and regulation 23 of SEBI Listing Regulations, 2015, all RPTs were placed before the Audit Committee for its approval.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the company and its related parties, in compliance with the applicable provisions of the Companies Act, 2013, the Rules made there under and the Listing Regulations.

Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, the Company shall make disclosures in compliance with the Accounting Standard on "Related Party Disclosures" as per the following:



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Sr no	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans / advances / Investments outstanding during the year.
1	Holding Company: Cheetah Multitrade Private Limited	Loan Taken by the Company = Rs. 8,182,402/-
2	Subsidiary:	
a	Chromatic International FZE	Loan Given by the Company = Rs. 2,379,905,128/-
b	Chromatic Sponge Iron Limited	NA
c	Chromatic Ferro Alloys Limited	Loan Given by the Company = Rs. 450,000/-
3	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan= NA

Note: For the purpose of above disclosures directors 'interest shall have the same meaning as given in Section 184 of Companies Act, 2013.

Particulars of Loans, Guarantees or Investments

In pursuance to the provision of Section 186 of the Companies Act, 2013, the details of the Loans, guarantees or investments are given in the notes to the financial statements in this Annual Report.

Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure - D

Particulars of Employees

The information required pursuant to Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of the employees of the Company is as follows:

- a) Employed throughout the year NIL
- b) Employed for part of the year NIL

The Company has not employed any individual whose remuneration falls beyond the purview of the limits prescribed under the provisions Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The remuneration paid to all the Key Managerial Personnel was in accordance with the remuneration policy adopted by the Company.

The details pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure – E

Remuneration Ratio of the Director's/Key Managerial Personnel (KMP)/Employees

The information required pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975 in respect of employees of the Company and Director's/Key Managerial Personnel is furnished hereunder:

Sr.No	Name	Designation	Remuneration paid F.Y 2015-16 (Rs. In Lakhs)	Remuneration paid F.Y 2014-15 (Rs.in Lakhs)	Increase in Remuneration from Previous year (Rs.in Lakhs)	Ratio/Times per Median of Employees Remuneration
1	Mr. Vinod Kumar Kaushik	Whole Time Director	13.15	10.43	2.72	6.50
2	Ms. Bhoomika Jain	Company Secretary	1.73	0	0	1.38

- * Note: Ms. Bhoomika Jain was appointed as a Company Secretary & Compliance Officer w.e.f 13th July, 2015 and resigned from the organization w.e.f 1st March, 2016. Hence the actual amount paid to her during the financial year has been stated. For comparison basis, the remuneration to be paid for the entire financial year has been taken.

**Relationship between average increase in remuneration and Company's performance:**

In line with Company's reward philosophy, merit increases and annual bonus pay-outs of its Employees including Key Managerial Personnel are directly linked to individual performance as well as that of the business. Given the superior business performance and the performance rating of the Key Managerial Personnel, appropriate reward by way of merit increase or variable pay have been awarded to the Key Managerial Personnel for the current year. This was duly reviewed and approved by the Nomination & Remuneration Committee of the Company.

Transfer to investor education and protection fund

The following table gives information relating to outstanding dividend accounts and the dates by which they need to be transferred:

Financial Year	Date of Declaration of Dividend	Date on which dividend will become part of IEPF
2009-10 (Interim)	January 29, 2010	March 07, 2017
2011-12 (Interim)	February 08, 2012	March 16, 2019
2012-13 (Final)	September 30 ,2013	November 06, 2020

As referred above, since there was no unpaid/unclaimed Dividend declared and paid for the last year 2014-15 and 2015-16, the provisions of Section 125 of the Companies Act, 2013 do not apply.

Acknowledgement

Your Directors take this opportunity to thank all investors, customers, vendors, banks/financial institutions, regulatory and government authorities and Stock Exchanges for their consistent support and encouragement to the Company. The Directors also place on record their sincere appreciation to all employees of the Company for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the Industry.

Cautionary Statement:

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic market conditions affecting cost as well as the selling prices of the services, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

By order of the Board of Directors
For Chromatic India Limited

Chirag B. Shah
Director
(DIN: 06583820)

Vinod Kumar Kaushik
Whole time Director
(DIN: 02586479)

Place: Mumbai
Date: June 29, 2016

ANNEXURE INDEX

Annexure	Content
A	Form AOC-1
B	Secretarial Audit Report – MR-3
C	Conservation of Energy, Technology absorption, Foreign Earnings and Outgo ,
D	Extract of Annual Return – MGT 9 Sec 92(3) of Companies Act 2013
E	Particulars of Employees

Annexure to Director Report

Annexure - A

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Part “A”: Subsidiaries

(Rs. In Lacs)

Sr. No.	Name of the subsidiary Companies	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency Tax	Exchange rate as on last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserves & surplus	Total assets	Total Liabilities	Investments (excluding Investment in Subsidiaries)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding	Country
1	Chromatic International FZE	31/03/2016 (previous year)	AED	18.00 (17.02)	18.00 (17.02)	947.00 (896.29)	23,807.07 (22,510.06)	23,807.07 (22,510.06)	-	-	-0.90 (-0.85)	-	-0.90 (-0.85)	-	100.00	UAE
2	Chromatic Ferro Alloys Limited	31/03/2016 (previous year)	INR	1.00	10.00 (10.00)	-14.98 (-2.12)	0.25 (13.01)	0.25 (13.01)	-	-	-12.87 (-0.29)	-	-12.87 (-0.29)	-	99.94	India

* Amount reported in equivalent INR.

Notes:

- All mentioned above are yet to commence operations as on reporting date.
- None of above are liquidated or sold during the year.
- Previous year's figure is given in bracket.

For and on behalf of Board of Directors

Vinod Kumar Kaushik
DIN : 02586479
Wholtime Director

Chirag Shah
DIN : 06583820
Director

Place: Mumbai
Date : 28th May, 2016





Annexure - B

To,
The Members,
Chromatic India Limited
CIN-L99999MH1987PLC044447
207, Vardhaman Complex Premises
Co. op. Society Ltd., L.B.S. Marg,
Vikhroli (West), Mumbai – 400083
Maharashtra- India

My Secretarial Audit Report is to be read along with this letter

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

For R. N. GUPTA & CO.

Practicing Company Secretaries

(R. N. GUPTA)

Proprietor
FCS No. 4693
COP No. 3131

Place: Mumbai
Dated: June 29, 2016



Form MR-3
SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2016
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Chromatic India Limited
CIN-L99999MH1987PLC044447
207, Vardhaman Complex Premises
Co. op. Society Ltd., L.B.S. Marg,
Vikhroli (West), Mumbai – 400083
Maharashtra- India

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Chromatic India Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

- (i) The Companies Act, 1956 and Companies Act, 2013 (the Act) and the rules made there under;
 - a) ***There is default in the repayment of loan and interest thereon to the Financial Institution during the period under review. However, as reported by the management, the matter is in process of settlement with the concerned institution.***
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act' as applicable):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / Securities and Exchange Board of India (share based Employee Benefits) Regulations, 2014 (effective 28th October, 2014)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The Other laws as may be applicable specifically to the Company are:
 - (a) The Factories Act, 1948,
 - (b) The Payment of Wages Act, 1936,
 - (c) The Minimum Wages Act, 1948,
 - (d) Employees Provident Fund and Miscellaneous Provisions Act, 1952,
 - (e) Employers State Insurance Act, 1948,
 - (f) The Payment of Bonus Act, 1965,



- (g) Maternity Benefit Act, 1961,
- (h) Payment of Gratuity Act, 1972,
- (i) Industrial Disputes Act, 1947,
- (j) Industrial Employment (Standing Orders) Act, 1946,
- (k) Indian Contract Act, 1872
- (l) Indirect Tax Laws,
- (m) Employees Compensation Act, 1923,
- (n) Contract Labour (Regulation and Abolition) Act, 1970
- (o) Pollution Control Acts and Rules made thereunder,
- (p) The Hazardous Waste and Management Handling Rules, 1988 and The Boiler Act, 1923

Based on the information, explanations and management representation letter, I report that the Company has substantially complied with the provisions of these Acts as are applicable to it.

The Company has received a Show Cause Notice cum demand from the Income Tax Assessing officer under Income Tax Act, 1961 during the year under review and the matter is pending before the Commissioner of Income tax (Appeals).

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

- a) Secretarial Standards for Board Meetings and Annual General Meetings issued by The Institute of Company Secretaries of India.
- b) Erstwhile Listing Agreement and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments thereof, entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited, as applicable and;

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

I further report that:

- * The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- * Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent sufficiently 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.
- * Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that based on review of compliance mechanism established by the Company I am of the opinion that there are adequate systems and processes in the company which commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has passed the five circular resolutions of Board of Directors in compliance of the Act.

I further report that during the audit period there were no instances:

- a) Public/Right/Preferential issue of shares/debentures/sweat equity, etc.
- b) Redemption/buy-back of securities
- c) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- d) Merger / amalgamation / reconstruction, etc.
- e) Foreign technical collaborations

I further report that during the audit period the Company has no other specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

For R. N. GUPTA & CO.
Practicing Company Secretaries

(R. N. GUPTA)
Proprietor
FCS No. 4693
COP No. 3131

Place: Mumbai
Dated: June 29, 2016



Annexure – C

Disclosure of Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. Conservation of Energy :

- a) Energy conservation measures taken :

Energy Conservation continues to receive priority attention at all the levels. All requisite efforts are made to conserve and optimise the use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.

- b) Total energy conservation & energy consumption per unit of production (as per form - A annexed hereto)

B. Technology Absorption :

- a) Updation of Technology is a continuous process, absorption implemented and adapted by the Company for innovation. Efforts are continuously made to develop new products required in the Textile Dyes Industry. The details of the Technology absorption is as per Form - B.

- b) The Company has been able to successfully indigenise the toolings to a large extent and successfully developed new products by virtue of technology absorption, adaptation and innovation.

C. Foreign exchange earnings and outgo :

		Rs. (Lakhs)
Foreign exchange earned	:	2728
Foreign exchange used	:	417



Form - A

Form for disclosure of particulars with respect to conservation of energy

A. Power and fuel consumption :	2015-16	2014-15
1. Electricity :		
Unit	455,120	463,556
Total Amt. (Rs.)	3,604,290	3,410,666
Rate per Unit (Rs.)	7.92	7.36
2. Furnace Oil :		
Quantity (Ltrs)	31,645	29,575
Total Amt. (Rs.)	456,564	820,787
Average Rate (Rs.)	14.43	27.75
3. Briquettes / Firewoods :		
Quantity (Kgs)	0	0
Total Amt. (Rs.)	0	0
Average Rate (Rs.)	0	0
4. Coal		
Unit	773,802	885,724
Total Amt. (Rs)	5,957,087	6,866,432
Rate per Unit(Rs.)	7.70	7.75
B. Consumption per unit of production :		
Production Unit (In Kg.)	735,616	892,123
Electricity Unit	0.62	0.52
Furnace Oil (Ltrs)	0.62	0.03
Coal	1.05	0.99

Form - B

(See Rule - 2)

(Form for disclosure of particulars with respect to absorption.)

Research and Development (R&D)

1. Research and development in the area of new value added products is continuing.
2. As a result of last year R & D efforts the new products are already running in the market.



Annexure D

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L99999MH1987PLC044447
ii	Registration Date	21.08.1987
iii	Name of the Company	Chromatic India Limited
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	207, Vardhaman Service Industrial Estate, Fitwell Compound, 10, L.B.S Marg, Vikhroli (W), Mumbai - 400 083
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Name: M/s. Bigshare Services Private Limited Office Address: E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400072 Contact details: Tel. no. - 022 28470652/ 022 40430200

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Manufacture of Chemical and Chemical Products	20	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl.No.	Name&Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Cheetah Multitrade Private Limited	U51900MH2007PTC175449	Holding	28.54%	Section 2(46)
2	Chromatic Ferro Alloys Limited	U27310MH2011PLC221952	Subsidiary	100%	Section 2(87)
3	Chromatic Sponge Iron Limited	U27310MH2011PLC221902	Subsidiary	100%	Section 2(87)
4	Chromatic International FZE	RAKFTZA-FZE- 4005123	Subsidiary	100%	Section 2(87)



IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
(1)	Indian									
a)	Individual/HUF	0	0	0	0	0	0	0	0	0
b)	Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0
c)	Bodies Corporates	20,273,305	0	20,273,305	28.54	20,273,305	0	20,273,305	28.54	0
d)	Bank/FI	0	0	0	0	0	0	0	0	0
e)	Any other	0	0	0	0	0	0	0	0	0
f)	Director's Relatives	0	0	0	0	0	0	0	0	0
g)	Group Companies	0	0	0	0	0	0	0	0	0
h)	Trusts	0	0	0	0	0	0	0	0	0
	Sub Total:(A)(1)	20,273,305	0	20,273,305	28.54	20,273,305	0	20,273,305	28.54	0
(2)	Foreign									
a)	NRI- Individuals	0	0	0	0	0	0	0	0	0
b)	Other Individuals	0	0	0	0	0	0	0	0	0
c)	Bodies Corp.	0	0	0	0	0	0	0	0	0
d)	Banks/FI	0	0	0	0	0	0	0	0	0
e)	Any other...	0	0	0	0	0	0	0	0	0
	Sub Total (A) (2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	20,273,305	0	20,273,305	28.54	20,273,305	0	20,273,305	28.54	0
B.	PUBLIC SHAREHOLDING									
(1)	Institutions									
a)	Mutual Funds	0	0	0	0	0	0	0	0	0
b)	Banks/FI	0	0	0	0	0	0	0	0	0
c)	Central govt	0	0	0	0	0	0	0	0	0
d)	State Govt.	0	0	0	0	0	0	0	0	0
e)	Venture Capital Fund	0	0	0	0	0	0	0	0	0
f)	Insurance Companies	0	0	0	0	0	0	0	0	0
g)	FIIS	6,387,422	0	6,387,422	8.99	22,292,388	0	22,292,388	31.38	22.39
h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i)	Others (specify)	0	0	0	0	0	0	0	0	0
	Sub Total (B)(1):	6,387,422	0	6,387,422	8.99	22,292,388	0	22,292,388	31.38	22.39
(2)	Non Institutions									
a)	Bodies corporates	5,511,170	1,700	5,512,870	7.76	5,489,925	1,700	5,488,225	7.73	-0.03
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs.1 lakhs	4,565,458	220,445	4,785,903	6.74	11,711,250	231,645	11,479,605	16.48	9.74
ii)	Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	7,678,713	10,250	7,688,963	10.82	9,412,707	0	9,412,707	13.25	2.43
c)	Others (specify)									
	Trusts	0	0	0	0	0	0	0	0	0
	Clearing Members	148,898	0	148,898	0.21	623,244	0	623,244	0.87	0.66
	Directors Relatives	0	0	0	0	0	0	0	0	0
	Employees	0	0	0	0	0	0	0	0	0
	Non Resident Indians	1,120,783	26,900	1,147,683	1.62	1,239,166	26,900	1,212,266	1.75	0.13
	Overseas Bodies Corporate	4,115	0	4,115	0.01	4,115	0	4,115	0.01	0
	Unclaimed Suspense Account	0	0	0	0	0	0	0	0	0
	Sub Total (B)(2):	19,029,137	259,295	19,288,432	27.16	28,480,407	260,245	28,220,162	40.09	12.93
	Total Public Shareholding (B)= (B)(1)+(B)(2)	25,416,559	259,295	25,675,854	36.15	50,772,795	260,245	50,512,550	71.47	35.32
C.	Shares held by Custodian for GDRs & ADRs									
	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
	Public	25,096,941	0	25,096,941	35.32	0	0	0	0	0
	Grand Total (A+B+C)	70,786,805	259,295	71,046,100	100.00	70,785,855	260,245	71,046,100	100.00	00



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(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Cheetah Multitrade Private Limited	20,273,305	28.54	0	20,273,305	28.54	0	0
	Total	20,273,305	28.54	0	20,273,305	28.54	0	0

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.	Particulars	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
1	At the beginning of the year	20,273,305	28.54	20,273,305	28.54
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer / bonus/ sweat equity etc):	No Change	No Change	No Change	No Change
3	At the end of the year	-	-	20,273,305	28.54

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

Sr. No.	For Each of the Top 10 Shareholders		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
1	THE BANK OF NEW YORK MELLON, DR	At the beginning of the year	25,096,941	35.32	25,096,941	35.32
		4-Dec-15	-6,975,000	(9.82)	18,121,941	25.51
		18-Dec-15	-11,023,146	(15.52)	7,098,795	9.99
		31-Dec-15	-612,339	(0.86)	6,486,456	9.13
		1-Jan-16	-194,751	(0.27)	6,291,705	8.86
		8-Jan-16	-3,501,705	(4.93)	2,790,000	3.93
		15-Jan-16	-2,790,000	(3.93)	0	0.00
		At the end of the year	-	-	0	0.00
2	CLAREVILLE CAPITAL OPPORTUNITIES MASTER FUND LIMITED	At the beginning of the year	5,940,000	8.36	5,940,000	8.36
		4-Dec-15	-500,000	(0.70)	5,440,000	7.66
		At the end of the year	-	-	5,440,000	7.66
3	AVATAR INDIA OPPORTUNITIES FUND	At the beginning of the year	0	0	0	0.00
		4-Dec-15	6,975,000	9.82	6,975,000	9.82
		18-Dec-15	-2,212,994	(3.11)	4,762,006	6.70
		25-Mar-16	-209,293	(0.29)	4,552,713	6.41
		At the end of the year	-	-	4,552,713	6.41
4	STREAM VALUE FUND	At the beginning of the year	0	0	0	0.00
		18-Dec-15	2,700,000	3.80	2,700,000	3.80
		At the end of the year	-	-	2,700,000	3.80
5	LEMAN DIVERSIFIED FUND	At the beginning of the year	0	0	0	0.00
		18-Dec-15	2,700,000	3.80	2,700,000	3.80
		At the end of the year	-	-	2,700,000	3.80



CHROMATIC INDIA LTD

6	DAVOS INTERNATIONAL FUND	At the beginning of the year 18-Dec-15	0 2,700,000	0 3.80	0 2,700,000	0.00 3.80
		At the end of the year	-	-	2,700,000	3.80
7	SPARROW ASIA DIVERSIFIED OPPORTUNITIES FUND	At the beginning of the year 18-Dec-15	0 2,923,146	0 4.11	0 2,923,146	0.00 4.11
		25-Dec-15	-546,323	(0.77)	2,376,823	3.35
		8-Jan-16	-525,000	(0.74)	1,851,823	2.61
		At the end of the year	-	-	1,851,823	2.61
8	ALBULA INVESTMENT FUND LTD	At the beginning of the year 4-Dec-15	447,422 -249,570	0.63 (0.35)	447,422 197,852	0.63 0.28
		25-Mar-16	1,150,000	1.62	1,347,852	1.90
		At the end of the year	-	-	1,347,852	1.90
9	MULTIPLEX CAPITAL LIMITED	At the beginning of the year 10-Apr-15	1,023,696 651	1.44 0.00	1,023,696 1,024,347	1.44 1.44
		17-Apr-15	-6,134	(0.01)	1,018,213	1.43
		24-Apr-15	443	0.00	1,018,656	1.43
		8-May-15	2,921	0.00	1,021,577	1.44
		15-May-15	-2,921	(0.00)	1,018,656	1.43
		29-May-15	-28,813	(0.04)	989,843	1.39
		5-Jun-15	1,534	0.00	991,377	1.40
		12-Jun-15	10,743	0.02	1,002,120	1.41
		26-Jun-15	-73,845	(0.10)	928,275	1.31
		30-Jun-15	-4,801	(0.01)	923,474	1.30
		3-Jul-15	20,260	0.03	943,734	1.33
		10-Jul-15	-818	(0.00)	942,916	1.33
		17-Jul-15	466	0.00	943,382	1.33
		24-Jul-15	-17,908	(0.03)	925,474	1.30
		31-Jul-15	-3,750	(0.01)	921,724	1.30
		7-Aug-15	-5,000	(0.01)	916,724	1.29
		14-Aug-15	160	0.00	916,884	1.29
		21-Aug-15	-26,199	(0.04)	890,685	1.25
		28-Aug-15	-424	(0.00)	890,261	1.25
		4-Sep-15	-44,060	(0.06)	846,201	1.19
		11-Sep-15	2,879	0.00	849,080	1.20
		18-Sep-15	-1,341	(0.00)	847,739	1.19
		23-Sep-15	9,950	0.01	857,689	1.21
		30-Sep-15	-25,965	(0.04)	831,724	1.17
		2-Oct-15	2,307	0.00	834,031	1.17
		9-Oct-15	819	0.00	834,850	1.18
		16-Oct-15	11,041	0.02	845,891	1.19
		23-Oct-15	1,826	0.00	847,717	1.19
		30-Oct-15	18,588	0.03	866,305	1.22
		6-Nov-15	2,680	0.00	868,985	1.22
		13-Nov-15	3,571	0.01	872,556	1.23
		20-Nov-15	9,599	0.01	882,155	1.24
		4-Dec-15	3,369	0.00	885,524	1.25
		11-Dec-15	-78,427	(0.11)	807,097	1.14
		18-Dec-15	35,128	0.05	842,225	1.19
		25-Dec-15	-30,000	(0.04)	812,225	1.14
		31-Dec-15	-12,920	(0.02)	799,305	1.13
		1-Jan-16	8,738	0.01	808,043	1.14
		8-Jan-16	-45,821	(0.06)	762,222	1.07
		15-Jan-16	40,000	0.06	802,222	1.13
		22-Jan-16	-19,305	(0.03)	782,917	1.10
		29-Jan-16	-98,469	(0.14)	684,448	0.96
		5-Feb-16	-6,537	(0.01)	677,911	0.95
		12-Feb-16	-39,044	(0.05)	638,867	0.90
		19-Feb-16	-10,499	(0.01)	628,368	0.88
		26-Feb-16	-39,746	(0.06)	588,622	0.83
		4-Mar-16	7,607	0.01	596,229	0.84
		11-Mar-16	-105,783	(0.15)	490,446	0.69
		18-Mar-16	-600	(0.00)	489,846	0.69
		31-Mar-16	46,502	0.07	536,348	0.75
		At the end of the year	-	-	536,348	0.75
10	LTS INVESTMENT FUND LTD	At the beginning of the year 18-Dec-15	0 1,000,000	0 1.41	0 1,000,000	0.00 1.41
		At the end of the year	-	-	1,000,000	1.41
11	CYNIC FINANCE AND LEASING PRIVATE LIMITED	At the beginning of the year	701,200	0.99	701,200	0.99
		At the end of the year	-	-	701,200	0.99
12	SANJAY RAGHUNATH AGGARWAL	At the beginning of the year 24-Jul-15	466,955 25,000	0.66 0.04	466,955 491,955	0.66 0.69
		31-Jul-15	-491,955		0	0.00
		At the end of the year	-	-	0	0.00



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13	SMC GLOBAL SECURITIES LIMITED	At the beginning of the year	456,001	0.64	456,001	0.64
		10-Apr-15	1,719	0.00	457,720	0.64
		17-Apr-15	-1,519	(0.00)	456,201	0.64
		24-Apr-15	1,000	0.00	457,201	0.64
		1-May-15	800	0.00	458,001	0.64
		8-May-15	-2,600	(0.00)	455,401	0.64
		22-May-15	1,000	0.00	456,401	0.64
		29-May-15	-1,000	(0.00)	455,401	0.64
		5-Jun-15	-1,000	(0.00)	454,401	0.64
		17-Jul-15	34,000	0.05	488,401	0.69
		24-Jul-15	-43,226	(0.06)	445,175	0.63
		31-Jul-15	-5,900	(0.01)	439,275	0.62
		7-Aug-15	-26,000	(0.04)	413,275	0.58
		14-Aug-15	5,000	0.01	418,275	0.59
		21-Aug-15	20,000	0.03	438,275	0.62
		28-Aug-15	-110,233	(0.16)	328,042	0.46
		4-Sep-15	500	0.00	328,542	0.46
		18-Sep-15	-4,150	(0.01)	324,392	0.46
		23-Sep-15	2,000	0.00	326,392	0.46
		30-Sep-15	3,000	0.00	329,392	0.46
		2-Oct-15	-1,000	(0.00)	328,392	0.46
		9-Oct-15	-24,767	(0.03)	303,625	0.43
		23-Oct-15	-635	(0.00)	302,990	0.43
		30-Oct-15	-56,560	(0.08)	246,430	0.35
		6-Nov-15	-1,000	(0.00)	245,430	0.35
		13-Nov-15	-42,637	(0.06)	202,793	0.29
		20-Nov-15	-166,129	(0.23)	36,664	0.05
		27-Nov-15	-20,908	(0.03)	15,756	0.02
		4-Dec-15	32,105	0.05	47,861	0.07
		11-Dec-15	13,472	0.02	61,333	0.09
		18-Dec-15	1,000	0.00	62,333	0.09
		25-Dec-15	-1,396	(0.00)	60,937	0.09
		31-Dec-15	19,928	0.03	80,865	0.11
		1-Jan-16	2,300	0.00	83,165	0.12
		8-Jan-16	8,000	0.01	91,165	0.13
		15-Jan-16	31,900	0.04	123,065	0.17
		22-Jan-16	9,272	0.01	132,337	0.19
		29-Jan-16	-7,122	(0.01)	125,215	0.18
		5-Feb-16	-3,800	(0.01)	121,415	0.17
		12-Feb-16	-150	(0.00)	121,265	0.17
		26-Feb-16	-1,100	(0.00)	120,165	0.17
		4-Mar-16	3,100	0.00	123,265	0.17
		11-Mar-16	3,735	0.01	127,000	0.18
		18-Mar-16	-9,152	(0.01)	117,848	0.17
		25-Mar-16	-14,100	(0.02)	103,748	0.15
		31-Mar-16	-50,500	(0.07)	53,248	0.07
		At the end of the year	-	-	53,248	0.07
14	ANU BABU MATHEWS	At the beginning of the year	402,500	0.57	402,500	0.57
		At the end of the year	-	-	402,500	0.57
15	RAPID CREDIT & HOLDINGS PVT. LTD.	At the beginning of the year	391,629	0.55	391,629	0.55
		At the end of the year	-	-	391,629	0.55
16	NEBU GEORGE AMPOTTY	At the beginning of the year	280,178	0.39	280,178	0.39
		3-Apr-15	-1,359	(0.00)	278,819	0.39
		10-Apr-15	-7,000	(0.01)	271,819	0.38
		17-Apr-15	-2,527	(0.00)	269,292	0.38
		24-Apr-15	-17,211	(0.02)	252,081	0.35
		8-May-15	5,267	0.01	257,348	0.36
		15-May-15	2,008	0.00	259,356	0.37
		22-May-15	-4,486	(0.01)	254,870	0.36
		29-May-15	-48,680	(0.07)	206,190	0.29
		5-Jun-15	-294	(0.00)	205,896	0.29
		12-Jun-15	7,957	0.01	213,853	0.30
		19-Jun-15	-86,617	(0.12)	127,236	0.18
		26-Jun-15	-34,393	(0.05)	92,843	0.13
		30-Jun-15	-20,101	(0.03)	72,742	0.10
		3-Jul-15	-7,701	(0.01)	65,041	0.09
		10-Jul-15	-7,500	(0.01)	57,541	0.08
		17-Jul-15	7,500	0.01	65,041	0.09
		24-Jul-15	4,353	0.01	69,394	0.10
		31-Jul-15	66,457	0.09	135,851	0.19
		7-Aug-15	-58,237	(0.08)	77,614	0.11
		14-Aug-15	-46,085	(0.06)	31,529	0.04
		21-Aug-15	-25,953	(0.04)	5,576	0.01
		28-Aug-15	-5,576	(0.01)	0	0.00
		11-Dec-15	1,865	0.00	1,865	0.00
		22-Jan-16	1,500	0.00	3,365	0.00
		5-Feb-16	2,000	0.00	5,365	0.01
		25-Mar-16	5,014	0.01	10,379	0.01
		31-Mar-16	9,986	0.01	20,365	0.03
		At the end of the year	-	-	20,365	0.03



CHROMATIC INDIA LTD

(v) Shareholding of Directors & KMP

S. N.	For Each of the Directors & KMP	Shareholding at the end 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
1.	Mr. Vinod Kumar Kaushik At the Beginning of the year	100	0.00	100	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year	100	0.00	100	0.00
2	Mr. Chirag B Shah At the Beginning of the year	100	0.00	100	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year	100	0.00	100	0.00

V INDEBTEDNESS

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness				
Indebtedness at the beginning of the financial year				
i) Principal Amount	NA	1,45,00,000*	NA	1,45,00,000*
ii) Interest due but not paid	NA	NA		
iii) Interest accrued but not due	NA	NA		
Total (i+ii+iii)	NA	1,45,00,000*	NA	1,45,00,000*
Change in Indebtedness during the financial year				
Additions	NA	NA	NA	NA
Reduction	NA	NA	NA	NA
Net Change	NA	NA	NA	NA
Indebtedness at the end of the financial year				
i) Principal Amount	NA	1,45,00,000*	NA	1,45,00,000*
ii) Interest due but not paid	NA	NA		
iii) Interest accrued but not due	NA	NA		
Total (i+ii+iii)	NA	1,45,00,000*	NA	1,45,00,000*

*Note: The Company has entered into, out of court settlement with M/s Easy Access Financial Services Ltd at a lump sum amount of Rs 145.00 Lacs payable in five instalments. The company has paid two instalments in the year and delayed other instalments. Being one time settlement, no interest has been provided during the year.

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sr. no	Particulars of Remuneration	Name of the MD/WTD/ Manager
1	Gross salary	Mr.Vinod Kumar Kaushik
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	1,056,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	259,646
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0
2	Stock option	0
3	Sweat Equity	0
4	Commission	0
	as % of profit	0
	others (specify)	0
5	Others, please specify	0
	Total (A)	1,315,646
	Ceiling as per the Act	As per Companies Act, 2013 and rules made their under



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B. Remuneration to other directors:

S No.	Particulars of Remuneration	Name of the Directors		
1	Independent Directors	Mr. Ajay Singh Sethi	Mr. Chirag B Shah	Ms. Diana M Joshi
	(a) Fee for attending board committee meetings	7,000	7,000	7,000
	(b) Commission	0	0	0
	(c) Others, please specify	0	0	0
	Total (1)	7,000	7,000	7,000
2	Other Non Executive Directors			
	(a) Fee for attending board committee meetings	0	0	0
	(b) Commission	0	0	0
	(c) Others, please specify.	0	0	0
	Total (2)	0	0	0
	Total (B)=(1+2)	0	0	0
	Total Managerial Remuneration	7,000	7,000	7,000
	Overall Ceiling as per the Act.	As per Companies Act, 2013 and rules made thereunder		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S No.	Particulars of Remuneration	Key Managerial Personnel		
1	Gross Salary	CEO N.A	Company Secretary (Ms. Bhoomika Jain)	CFO N.A
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	173,975	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	-	173,975	-

* The Company secretary of the Company has worked with effect from 13th July, 2015 till 1st March, 2016. Hence the salary is mentioned accordingly.

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A.	COMPANY Penalty Punishment Compounding			Not Applicable		
B.	DIRECTORS Penalty Punishment Compounding			Not Applicable		
C.	OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding			Not Applicable		



Annexure to Director's report

Annexure "E"

Particulars of employees

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

Sr. No.	Requirements	Disclosure
I	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	6.50 as stated above in the report
II	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	1.38 as stated above in the report
III	The percentage increase in the median remuneration of employees in the financial year;	10%
IV	The number of permanent employees on the rolls of company	There were 47 permanent employees on the rolls of the Company as on March 31, 2016
V	The explanation on the relationship between average increase in remuneration and company performance	NIL
VI	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Remuneration of the Key Managerial Personnel is as per the Company's policy and in line with the performance of the company.
VII	Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.	The market capitalisation as on 31st March, 2016 was Rs. 29.83 crores (Rs 24.15 Crores as on 31st March, 2015). The Price earning ratio of the Company was 4200 Times as at 31st March, 2016 and was 737.5 Times as at 31st March, 2015.
VIII	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	There was no exceptional increase in Managerial Remuneration.
IX	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	Remuneration of Key Managerial Personnel is in line with the bench mark study and performance of the company
X	The key parameters for any variable component of remuneration availed by the directors	Depends on the performance parameters set for key managerial personnel as approved by the committees of the Board.
XI	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	NIL
XII	Affirmation that the remuneration is as per the remuneration policy of the company	We affirm that the remuneration is as per the remuneration policy of the company.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Chemicals dyes Industry**

In view of the slow- down on the economic front over the world and its corresponding impact on chemical dyes Industry across the globe, the chemicals dyes business experienced very challenging conditions during the year. With high natural / synthetic prices and the slowing down in end-product demand, customers undertook production cuts at periodic intervals. This did impact the demand for chemicals dyes adversely. The resultant mismatch in supply and demand of certain key chemicals impacted their selling prices, resulting in pressure on margins. Cost increases on account of various inputs, aggravated the situation further. Despite this, our Company managed to retain its volumes at the previous year's levels.

Industry Structure and Development

Chemical industry is capital as well as knowledge intensive industry. This industry plays a significant role in the Global economic and social development. It is also human resource intensive industry and hence generates employment. The diversification within the chemical industry is huge and covers more than thousands of commercial products. Chemicals are used in a wide variety of products and processes. They are major contributors to national and world economies, their sound management throughout their lifecycle is essential in order to avoid significant and increasingly complex risks to human health and ecosystems and substantial costs to national economies. There is immense potential for increasing consumption within the country as also for India to become a reliable supplier of such quality chemicals to the world.

Chemicals play a major role in improving the quality of life by enabling the manufacture of the goods and materials that need whilst mitigating adverse environmental impact. By developing new usages of chemicals, processes and sustainable routes to produce novel environmental friendly materials, it can achieve low carbon processes that can make high value products of the Company for humans and solve energy and sustainability challenges.

Our Company is a manufacturer and supplier of Chemical Dyes, Dye Intermediates and Basic Chemicals. It currently focuses on manufacturing basic chemicals to feed dye intermediates and dyes manufacturing through a successful strategy of backward integration. The product range caters mainly to textiles industries. The Company has its manufacturing facilities at Dombivali, District Thane and Khed, District Ratnagiri. The setting up of additional production facilities will enable your Company to capture a higher market share out of additional production volumes.

The company achieved a turnover of Rs.28.77 Crore during the current year as against Rs. 40.73 Crore during the previous year thereby reporting an decrease of 29.36%. The exports during the year has been Rs.27.28 Crores as compared to Rs. 31.33 Crores during the previous year, thereby reporting an decrease of 12.93%

Business Outlook: Opportunities and threats

Over the last fifteen years, the Indian chemicals industry has graduated from manufacturing principle chemicals in a highly regulated market to being a mature industry in a liberalized economy. Until 1991, India had a closed economy, with the domestic chemical industry enjoying protection in the form of differential import duties on raw materials and finished chemical products. Chemical manufacturing was largely controlled by licensing regulations. This industry is among the fastest growing industries in India. The bulk of chemicals produced in India comprise either upstream products or intermediates, which go into a variety of manufacturing applications.

Indian chemical companies with well-built systems and structured operations are likely to be benefited. It has been contributing to India's growing economy in a phenomenal way. Today, India has achieved considerable progress in production of basic organic and inorganic chemicals, dyestuffs and intermediates. Those companies who are manufacturing highly valued chemicals and who are compliant of industrial quality standards can make their mark not just in India but even in the overseas markets as well.

The sales efforts are also well supported by a team of technical experts who play a pivotal role in providing pre / post sales technical services, training to customer's employee, on-site back-up, recipe and process customization, product development etc.

Our Company's R&D activities broadly comprise various processes for developing new products, standardizing analytical methods and identifying substitutes for key raw materials. Through the R&D centre, the Company continuously interacts with consumers to obtain feedback on its existing as well as new products to complement its new product development activities.

Threats, Risks and Concerns:

The Company is a manufacturer and suppliers of Dyes, Intermediates and Basic chemicals. However, the following major issues may hamper business operation as well as growth of the Company:

- (a) Volatility in prices of raw material especially crude oil and transportation cost can adversely affect the business operations and can thin out the profitability of the Company.



- (b) The Company is doing business with various countries, therefore, our business operations and growth is dependent upon the political, climatic, economic, regulatory and social environment of such countries.
- (c) The Company is a exporter therefore; the volatility in foreign exchange rates may affect the business operation as well as growth of the Company.

The Company is continuously working towards achieving further improvements in the quality of its products as well as in technological and operational efficiencies of its manufacturing processes. It also strives to develop new products to improve its participation in the market and enlarge its product range. The company is also, through its strong research initiatives, engage in developing new products which would meet the emerging needs of its customers and the environmental challenges of the future. The pricing scenario of chemicals dyes, accordingly, is likely to undergo a positive change with the reduction in the global supply position.

Periodic assessment across the Company is undertaken to identify and thereafter prioritize significant risks. Owners are identified for all such risks and are assigned the responsibility to develop and deploy mitigation strategies. These are subjected to a review by the Board.

With the expectation of an improvement in the market conditions for the Chemical Industry during the year, the Company will endeavour to perform better than the last year.

Segment-wise or product-wise performance

The company has only one manufacturing plant and a unified marketing and administrative set-up due to which segment wise disclosures of Liabilities and Profitability cannot be determined.

The Company operates in one business segment, namely manufacturing & trading of S. O. Dyes & Chemicals and geographic segments i.e. the Domestic and the Overseas are summarised as follows. :

Particulars	Domestic	Overseas	Total
Sales	14,929,033 (94,016,290)	272,830,291 (313,336,362)	287,759,324 (407,352,652)
Total Sales	14,929,033 (94,016,290)	272,830,291 (313,336,362)	287,759,324 (407,352,652)

Note: Figures in bracket represent previous year figures.

Performance of the Year

The adverse business sentiments coupled with slowdown in the domestic chemical sector resulted in fluctuating demand for chemicals from key customer accounts. The continued dumping by our competitors further aggravated this situation. Despite this, we succeeded in maintaining our volumes more or less of the same levels as in the previous year. The turnover witnessed increase in value terms with an improvement in selling prices of some of our products. These were necessitated on account of steep increase in our input costs, which to some extent, we managed, to pass on to the customers. Our Export business too has not been able to witness any growth due to the uncertain and fragile nature of the economic situation in the developed markets, more particularly in the European markets.

Financial and Operational Performance

The highlights of the Financial Operational Performance are given below :

(Rupees In Lakhs)

Sr. No	Particulars	2015-16	2014-15
1.	Sales/ Income from Operations	2877.59	4,073.53
2.	Other Income	81.02	50.81
3.	Sub - Total	2958.62	4,124.34
4.	Total Expenditure (Before Interest)	2928.21	4,046.31
5.	Profit Before Interest and Exceptional Items	30.41	93.85
6.	Profit/Loss from Ordinary Activities Before Tax	2.55	4.89
7.	Profit/Loss After Tax	2.70	3.14

During the year under review, the Company achieved a profit before tax of Rs. 2.55 Lakhs as compared to Rs. 4.89 Lakhs in 2014-15. The current trend for rupee is in a weak mode and the overall economic sentiment does not appear very positive.



Internal control systems and their Adequacy

Effective Internal Control Systems have been put in place by the Management to provide reasonable assurance for :

- Safeguarding Assets and their usage
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

Key elements of the Internal Control Systems are as follows:

- (i) Existence of well defined Organisational structure and Authority
- (ii) Existence of Corporate Policies for Financial Reporting and Accounting
- (iii) Existence of Management Information System updated from time to time as and when required
- (iv) Existence of Internal Audit System
- (v) Review of Opportunities and Risk factors depending on the domestic scenario and to undertake measures as may be necessary.

The company has appointed an Independent internal auditor to conduct internal audit and to ensure effective compliance and effectiveness of the Internal Control Systems in place.

The members of the Audit Committee are regularly reviewing the Internal Audit Reports for the audit carried out in all the significant areas of the operations. In addition to it, the Audit Committee approves all the audit plans and reports for significant issues raised by the Auditors. The Internal Audit Reports are circulated on a regular basis for the perusal of the Senior Management and appropriate action is taken as and when required.

Material developments in Human Resources / Industrial Relations front, including number of people employed

In view of the acute shortage of skilled and equipped human resources prevailing in the country, our focus during the year was to enhance the capabilities of our existing workforce. In order to ensure employee motivation and confidence level which would enable the Company to face the current challenges and seize future opportunities, various initiatives were taken for the same. Necessary steps are taken to strengthen the areas in which the employees of the Company need improvement. The Company complies with all the regulations pertaining to Safety. The Company continues to have an excellent track record in the area of Safety. The main objective of the company is to achieve zero accident/ incident and safe working environment. Regular programmes are therefore held on health and safety awareness, fire fighting and first aid, apart from other development programmes. Industrial relations remained cordial during the year.

The employee development is quite extensive as the Company believes in investing in the human capital at our own company first and foremost. At present there are in all 47 employees associated with the Company. The Company has invested its time and resources in training and developing its workforce to become indispensable resources for the Company later on.

The Company believes individuals in any organization is a vital resource and must be valued, nurtured and retained. Employees are the most valuable assets and truly the backbone of an organization. Every employee in his/her own way contributes towards the success or failure of an organization. Without employees in an organization, even the most powerful machinery with the latest technology would not function.

Cautionary statement

Statements in the Management Discussion & Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions are 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied depending upon various economic conditions like raw material availability and prices, cyclical demand and pricing in the Company's principal markets, fluctuation in forex rates, changes in Government regulations, tax regimes, economic developments within India and the countries in which business is conducted, and other incidental factors. The Readers are cautioned not to place undue reliance on the forward looking statements.

For and on behalf of the Board of Directors

Chromatic India Limited

Vinod Kumar Kaushik
Whole Time Director
(DIN: 02586479)

Place: Mumbai
Date: June 29, 2016



Report on Corporate Governance

1. Company's Philosophy on code of Corporate Governance

SEBI vide its notification No. SEBI/LAD-NRO/GN/2015-16/013 dated 2 September 2015 notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'SEBI Listing Regulations, 2015'), which were made applicable with effect from 1 December 2015 and repealed the erstwhile listing agreement with the stock exchanges. This Report, therefore, states the compliance status as per requirements of Companies Act, 2013 and SEBI Listing Regulations, 2015.

The Company believes that effective corporate governance is not just the framework enforced by the regulation but it is supported through the principles of transparency, unity, integrity, spirit and responsibility towards the stakeholders, shareholders, employees and customers. Good corporate governance requires competence and capability levels to meet the expectations in managing the business and its resources and helps to achieve goals and objectives of the organization.

The Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices, many of which were in place even before they were mandated by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

The Company is highly committed to the adoption and adherence of good Corporate Governance Practices so as to ensure that all the stakeholders of the Company obtain requisite information about the Company and its operations in an efficient and timely manner. Such Corporate Governance Practices also help enhancement of long term shareholder value and interest of other Stakeholders.

The Company's corporate governance philosophy has been further strengthened through Code of Conduct for Prevention of Insider Trading for its employees including Executive and Non-executive Directors. Company not only adheres to the prescribed corporate governance practices as per clause 49 but is also committed to sound principles and practices under Companies Act, 2013, Companies Act, 1956, Listing Regulations and the applicable Laws, Rules, Regulations and Guidelines issued by Securities and Exchange Board of India (SEBI). Corporate Governance strengthens investors trust and ensures a long-term partnership that helps in fulfilling a company's quest for higher growth and profits.

The Company is in compliance with the requirements of the guidelines on corporate governance stipulated under SEBI Listing Regulations, 2015.

2. Board of Directors

(a) Board Composition

As on March 31, 2016, the Board of Directors of the Company have an optimum combination of Executive; Non Executive Directors and Independent Directors who have an in depth knowledge of Business, in addition to the expertise in their areas of specialization. The Board of Directors comprises of Four Directors which includes one Woman Director. The Composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations entered with the Stock Exchanges.

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Notices of Board meetings (including Committee meetings) of the Company are circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However in case of special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted by law, which is confirmed in the subsequent Board meeting. The Board of Directors has complete access to the information within the Company.

The Company secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary attends almost all the meetings of the Board and its Committees, advises / assures the Board on Compliance and Governance principles ensures appropriate recording of minutes of the meeting.

The minutes of the proceedings of the meetings of the Board of Directors / Committee(s) are noted and the draft minutes are circulated amongst the members of the Board for their perusal. Comments, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairman of the meeting. The Minutes are approved and confirmed by the members of the Board prior to the next meeting and were signed and entered into the Minutes book within the statutory time limit prescribed by Companies Act, 2013.



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As mandated by Regulation 26 of the Listing Regulations, none of the Directors on the Board are the Members of the more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2016 have been received by the Directors.

Directorship & Membership / Chairmanship of Committees held by them as on March 31, 2016 are as follows:

Name of the Director	Category	Number of Board Meetings during the year 2015-16		Attendance at the last AGM held on 30.9.2015	Number of Directorships in other public companies	Number of Committee position held in other public companies*	
		Held	Attended			Chairman	Member
Mr. Vinod Kumar Kaushik (Whole-time Director (DIN 02586479)	Non Promoter Executive Director	4	4	Yes	2	NIL	NIL
Mr. Chirag B Shah (DIN 06583820)	Independent, Non Executive Director	4	4	Yes	0	NIL	NIL
Mr. Ajay Singh Sethi (DIN 01940047)	Independent, Non Executive	4	4	No	1	NIL	NIL
Ms. Diana M Joshi (DIN 06966287)	Independent, Non Executive Director	4	4	Yes	0	NIL	NIL

*Committee chairpersonship / membership includes chairpersonship / memberships of Audit Committee and Stakeholder Relationship Committee in all other public limited companies (whether listed or not) and excludes private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

(b) Details of Board Meetings Held During the Year

During the Year, the Board held four meetings on the following dates:

Board Meeting	Dates
First	29th May, 2015
Second	4th August, 2015
Third	5th November, 2015
Fourth	12th February, 2016

The gap between any two meetings has been less than one hundred and twenty days.

(c) None of the Directors are related inter-se during the year.

During the year under review, none of the Directors have inter-se relationship among them.

(d) Shareholding of Non- Executive Director in the Company during the year.

During the year under review, the Company does not have any convertible securities nor have issued any convertible instruments. None of the Non - Directors, except the following holds shares in the Company during the year:

Name of the Director	Category of Director	No. of Shares held
Mr. Chirag B Shah (DIN: 06583820)	Independent, Non Executive Director	100

(e) Independent Directors

The company has complied with the definition of Independence as per Regulation 16(b) of the Listing Regulations and according to the provisions of Section 149(6) of the Companies Act, 2013. The requisite declarations have also been obtained from all the independent directors pursuant to Section 149(7) of the Companies Act, 2013. All the independent directors have confirmed to the Board that they meet the criteria for independence in terms of Regulation 25 of the Listing Regulations and Section 149 (6) of the Companies Act, 2013.

Pursuant to the provisions of Regulation 25(7) of the Listing Regulations, the Company has formulated a programme



for familiarising the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc through various initiatives. The details of the aforementioned programme is available on the company's website www.chromatic.in

(f) Meeting of Independent Directors

Section 149(8) of the Act read with Schedule IV of the Act and Regulation 25(3) of the Listing Regulations require the Independent Directors of the Company to hold at least one meeting in a year, without the attendance of non-independent directors and members of management. The Independent Directors of the Company met on 19th February, 2016, pursuant to the provision of the Act and Equity Listing Agreement with the Stock Exchanges.

3. Audit Committee

(a) Terms of Reference

The terms of reference of the Audit Committee are broadly as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(5) of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- 5A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.



12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- 12A. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
14. Appointment of Cost Auditor, if applicable.
15. Appointment of Secretarial Auditor.

(b) Composition

The Audit Committee of the Company is constituted in line with the provision of Regulation 18 of Listing Regulations with the Stock Exchanges read with Section 177 of the Companies Act, 2013. The Audit Committee currently consists of the following Four Directors:

Name	Category	Position Held
Mr. Chirag B Shah	Independent, Non Executive	Chairman/Member
Mr. Vinod Kumar Kaushik	Whole Time Director	Member
Mr. Ajay Singh Sethi	Independent, Non Executive	Member
Ms. Diana M Joshi	Independent, Non Executive	Member

The Company Secretary of the Company acts as a secretary to the Audit Committee.

All the members of the Audit Committee are financially literate and Mr. Chirag B Shah, Chairman possesses requisite financial / accounting expertise.

The Audit Committee invites head of the finance and account function and representatives of the Statutory Auditors, Internal Auditors to be present at its meeting.

(c) Meetings and Attendance during the year

During the year 2015-16, four Audit Committee Meetings were held on 29th May, 2015, 4th August, 2015, 5th November 2015, and 12th February, 2016. Attendance of Committee Members at Committee Meetings is as follows:

Number of Meetings durinHeld Attended

Name	Number of Meetings Attended
Mr. Chirag B Shah	4
Mr. Vinod Kumar Kaushik	4
Mr. Ajay Singh Sethi	4
Ms. Diana M Joshi	4

4. Nomination and Remuneration Committee

(a) Terms of Reference

The Company has constituted a Nomination and Remuneration Committee of Directors in line with the provision of Regulation 19 read with Schedule II Part D of Listing Regulations and Section 178 of the Companies Act, 2013. The broad terms of reference of the Remuneration Committee are as under:

- a) To recommend / review / approve the remuneration, service agreement, commission / incentive remuneration payable to the Managing Director, Whole-time Director (s) on the basis of their performances.
- b) Approval of the commission payable to the Non-Executive Directors of the Company, if any.
- c) To identify persons who are qualified to become directors and who may be appointed as Directors. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other designated employees.
- d) To identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.



- e) To establish criteria for evaluation of performance of independent directors and the board of directors;
- f) To review and maintain the policy laid down on diversity of board of directors;
- g) To review the performance evaluation of independent directors and on basis of a report thereof recommend to the board whether to extend or continue the term of appointment of the independent director.

Such other matters as the Board may from time to time request the Nomination and Remuneration Committee to examine and recommend / approve.

(b) Composition

The Nomination and Remuneration Committee currently consists of the following three Directors:

Name	Category	Position Held
Mr. Chirag B Shah	Independent, Non Executive	Chairman
Mr. Ajay Singh Sethi	Independent, Non Executive	Member
Ms. Diana M Joshi	Independent, Non Executive	Member

(c) Meetings and Attendance during the year

During the year 2015-16, one Nomination and Remuneration Committee Meeting was held on 19th February, 2016. Attendance of Committee Members at committee Meetings is as follows:

Name	Number of Meetings Attended
Mr. Chirag B Shah	1
Mr. Ajay Singh Sethi	1
Ms. Diana M Joshi	1

(d) Performance Evaluation Criteria for Non Executive and Independent Directors.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the Listing Regulations, 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 Audit and Nomination & Remuneration Committees. The details of the policy on evaluation of Board's performance is available on the Company's website www.chromatic.in

5. Remuneration of Directors:

(a) None of the Directors of the Company has any material pecuniary relationship or business relationship with the Company.

During the year under review, none of the Directors of the Company has any material pecuniary relationship or business relationship with the Company.

(b) Criteria of making payments to the Non Executive Directors

During the year under review, all payments made by the Company to its Non Executive Directors are in conformity with the provisions of the Companies Act 2013, Listing Regulations and the Remuneration Policy of the Company.

(c) Disclosure with respect to remuneration, in addition to disclosures required under the Companies Act, 2013:

- (i) All elements of remuneration package of the whole time Director has been made in the Extract of Annual Return in form MGT-9
- (ii) Except for the maximum fixed amount of remuneration including perquisites and other amenities, there are no other fixed components and performance linked incentives paid to the Director, the performance criteria of the Directors are carried out as per the policy of performance evaluation of the Board;
- (iii) The Contract of service of the executive directors is for 5 years and is in form upto March 31, 2019, notice period and other conditions there of shall be as per the agreement entered into by the Company with the said Director;
- (iv) There are no stock option(s) issued to any of the Directors.



(d) Remuneration Policy:

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and variable pay. The individual performance pay is determined by business performance.

The Company pays remuneration by way of salary, benefits, perquisites, amenities and allowances to its Whole-time Director as per the service agreements entered into by the Company with him.

During the year, the Company had paid sitting fees per meeting to its Non-Executive Directors for attending Board and its committee meetings. The Company pays a sitting fee of Rs. 500/- for each Board and Committee meeting attended by the members of the Board, other than the Whole-time Director. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending meetings.

(e) Details of the Remuneration for the year ended March 31, 2016:

a) Non-Executive Directors:

Names	Sitting Fees (in Rs.)
Mr. Chirag B Shah	7000
Mr. Ajay Singh Sethi	7000
Ms. Diana M Joshi	7000

b) Whole-time Director:

(Rs. in lakh)

Name of Director and period of appointment	Salary	Other Perquisites (LTA & Medical Allowance + PF employer contribution)	Total
Mr. Vinod Kumar Kaushik (appointed w.e.f. 1.4.2014 for 5 years)	10.56	2.59	13.15

The above figures do not include provisions for gratuity, for the Whole-time Director.

The Company does not have any Employee Stock Option Scheme.

During the year under review none of the Directors of the Company other than the following holds Shares in the Company as on March 31, 2016.

Sr. No.	Name of Director Holding Shares in the Company	Number of shares held
1	Mr. Vinod Kumar Kaushik	100
2	Mr. Chirag B Shah	100

6. Stakeholders Relationship Committee

(a) Composition

The Stakeholders Relationship Committee currently consists of the following four Directors:

Name	Category	Position Held
Mr. Chirag B Shah	Independent, Non Executive	Chairman
Mr. Vinod Kumar Kaushik	Whole Time Director	Member
Mr. Ajay Singh Sethi	Independent, Non Executive	Member
Ms. Diana M Joshi	Independent, Non Executive	Member

The Company has duly appointed M/s. Bigshare Services Pvt Ltd to act as Registrar and Share Transfer Agent of the Company for servicing the shareholders holding shares in physical or dematerialized form. All requests for dematerialization of shares are likewise processed and confirmations thereof are communicated to investors within the prescribed time.



CHROMATIC INDIA LTD

Ms. Suruchi Pednekar, appointed with effect from 7th April, 2016 as Company Secretary and Compliance Officer of the Company, has been nominated for this purpose under Regulation 6(1) of the Listing Regulations. She looks into the investor grievances and supervises and coordinates with the M/s Bigshare Services Pvt Ltd, Registrar and Share Transfer Agents, for redressal of grievances of shareholders / Investors of the Company. The Company, under Regulation 13 of the Listing Regulations, submits quarterly status of the complaint received, disposed, pending during the quarter and their respective redressal to the Stock Exchange(s).

(b) Terms of Reference

The Company has constituted a Stakeholders Relationship Committee of Directors in line with the provision of Regulation 20 of Listing Regulations and Section 178(5) of the Companies Act, 2013 to look into the redressal of complaints of investors such as transfer / transmission / demat / credit of shares / remat of shares, non-receipts of dividend/notices/ annual reports, etc.

(c) Meetings and Attendance during the year

Four meetings of the Committee were held during the year 2015-16 which are as follows:

29th May, 2015, 4th August, 2015, 5th November 2015, and 12th February, 2016.

Attendance of Committee Members at Committee Meetings is as follows:

Name	Number of Meetings Attended
Mr. Chirag B Shah	4
Mr. Vinod Kumar Kaushik	4
Mr. Ajay Singh Sethi	4
Ms. Diana M Joshi	4

(d) Status of Shareholders' Complaints as on 31 March, 2016

During the year under review, the Company has not received any investor grievances. During the year, the Company / its Registrar have not received any investor complaints from SEBI / Stock Exchanges.

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	0	0	0

7. General Body Meetings

(i) Annual General Meetings

The Annual General meeting of the Company for financial years 2012-13, 2013-14 and 2014-15 were held at 207, Vardhaman Complex Premises Co.op Soc. Ltd., Fitwell Compound, L.B.S. Marg, Vikhroli (West), Mumbai – 400083, the details of which are as under:

Year	Day, Date & Time	Whether Special Resolution Passed
2014-2015	Wednesday, September 30, 2015 – 4.00 PM	Yes
2013-2014	Tuesday, September 30, 2014 – 3.00 PM	No
2012-2013	Wednesday, September 30, 2013 – 3.00 PM	No

(ii) Extra Ordinary General Meetings

No Extraordinary general meeting was held of the Company during the year under review.

(iii) Postal Ballot

During the year under review and during the previous year, no resolution (special / ordinary) was passed through postal ballot pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

No further resolution is proposed to be passed through postal ballot.

**8. Means of Communications**

Quarterly, half-yearly and Annual Financial Results of the Company are regularly submitted to the Stock Exchanges in accordance with the Listing Regulations and are generally published in Free Press Journal and Nav Shakti. The official press release is also issued. The same is also uploaded on the website of the Company at www.chromatic.in

The Company also files the following information, statements, reports on the web-site as specified by SEBI:

- * Full version of the Annual Report including the Balance Sheet, Statement of Profit and Loss Account, Directors' Report and Auditors' Report, Cash Flow Statement and Quarterly Financial Statements.
- * Corporate Governance Report.
- * Shareholding Pattern.

There are no presentations made to any institutional investor(s) or to any analysts.

9. General Shareholders Information**i) 29th Annual General Meeting**

Date	Thursday, 11th August, 2016
Time	11.00am
Venue	207, Vardhaman Complex Premises Co. Op. Society Ltd., L. B. S. Marg, Vikhroli (West), Mumbai - 400083

As required under Regulation 36(3) of the Listing Regulations, particulars of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice of the 29th Annual General Meeting.

(ii) Financial Calendar (tentative)

Financial Calendar	1st April to 31st March
Financial Year	2015-16
Annual General Meeting	11th August, 2016

(iii) Date of Book Closure / Record Date

Date of Book Closure / Record Date	As mentioned in the Notice of Annual General Meeting to be held on August 11, 2016
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(iv) Listing on Stock Exchanges

Stock Exchanges	Stock Code	Whether Listing Fees are paid
Bombay Stock Exchange Limited Floor 25, P J Towers, Dalal Street, Mumbai – 400001	530191	Yes
National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051	CHROMATIC	Yes
Luxembourg Stock Exchange BP 165, L-2011, Luxembourg, Siege Social, 11, avenue de la Porte – Neuve	CHROMATIC INDIALTD	Yet to be paid

(v) Company Registration details

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L99999MH1987PLC044447.



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(vi) Market Price Data

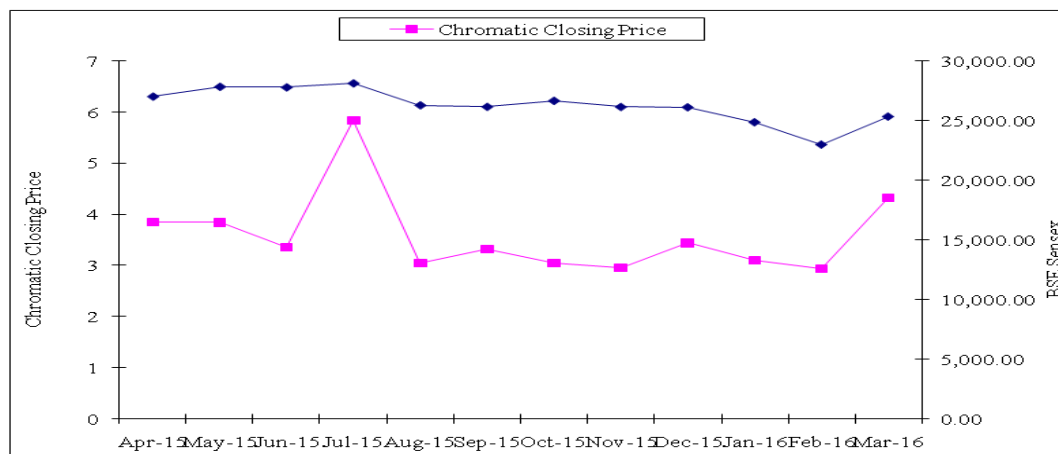
High, Low (based on the closing prices) and number of shares traded during each month in the financial year 2015-16 on the Bombay Stock Exchange Limited and National Stock Exchange:

Month	National Stock Exchange of India Limited		
	High Price (Rupees)	Low Price (Rupees)	Total No. of Shares Traded
April – 15	5.30	3.75	1,276,322
May – 15	6.35	4.80	1,194,304
June – 15	6.05	4.65	1,226,972
July – 15	5.30	3.80	1,565,103
August - 15	5.45	3.80	1,434,375
September – 15	5.75	4.10	2,262,904
October – 15	5.80	4.00	1,369,938
November – 15	5.95	4.40	2,008,195
December – 15	5.00	3.50	1,012,951
January – 16	4.25	3.35	814,496
February – 16	4.55	3.45	806,466
March - 16	4.20	2.55	541,201

The equity shares of the Company was listed and admitted for dealing on National Stock Exchange with effect from 29th May, 2012.

Month	Bombay Stock Exchange Limited		
	High Price (Rupees)	Low Price (Rupees)	Total No. of Shares Traded
April – 15	5.39	3.82	1,185,599
May – 15	6.53	4.80	2,370,534
June – 15	6.17	4.71	1,294,481
July – 15	5.45	3.72	1,857,163
August - 15	5.80	3.70	899,460
September – 15	6.00	3.90	1,810,953
October – 15	5.65	4.00	1,070,376
November – 15	5.99	4.30	1,364,760
December – 15	4.90	3.60	539,857
January – 16	4.55	3.60	323,784
February – 16	4.60	3.20	382,099
March - 16	4.00	2.90	493,953

(vii) Performance of the share price of the Company in comparison to the BSE sensx:





(viii) Registrar and Transfer Agents:

M/s Bigshare Services Private Limited

E/2 & 3 Ansa Industrial Estates, Saki-Vihar Road,
Sakinaka, Andheri (E), Mumbai – 400 072
Phone no. +91 22 4043 0200
Fax no: +91 22 2847 5207
Email: investor@bigshareonline.com
Website: www.bigshareonline.com

(ix) Share Transfer System:

99.63% of the shares of the Company are in electric form as on March 31, 2016. Transfer of these shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with Registrar and Share Transfer Agent of the Company at the above given address. All valid requests for dematerialization of shares are processed and confirmation given to the depositories within 21 days.

Transfer of shares in physical form is normally processed within ten to fifteen days from the date of receipt if the documents are complete in all respects.

Pursuant to provisions of SEBI Regulations, on half yearly basis, certificates have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. Further, Share Capital Audit is done on a quarterly basis for reconciliation of the share capital of the Company.

(x) Distribution of Shareholding as on March 31, 2016:

No. of Shares	Shareholders		Shares Held	
	Number	% to Total	Number	% to Total
Upto – 500	2421	39.1811	573,816	0.8077
501 – 1000	1215	19.6634	1,097,134	1.5443
1001-2000	807	13.0604	1,352,149	1.9032
2001-3000	341	5.5187	919,667	1.2945
3001-4000	169	2.7351	623,881	0.8781
4001-5000	307	4.9684	1,495,588	2.1051
5001-10000	415	6.7163	3,316,266	4.6678
10001 and above	504	8.1567	61,667,599	86.7994
Total	6179	100.00	71,046,100	100.00

(xi) Dematerialization of Shares and liquidity:

The Company's shares are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity Shares of the Company representing 99.63% of the Company's share capital are dematerialized as on March 31, 2016.

The Company's Shares are regularly traded on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited in electronic form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE662C01015.

(xiii) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on March 31, 2016, the Company does not have any underlying equity shares in respect of outstanding GDR.

(xii) Commodity Price risk and commodity hedging activities or foreign exchange risk and hedging activities

The Company does not deal with commodity trading, as it does not have any commodities listed on any stock exchange. The foreign exchange risk is minimal as the same are hedged by undertaking export / import activities when the prices are favourable.



(x) SEBI Complaints redressal System (SCORES)

SEBI has initiated SCORES for processing the investor complaints in a centralized web based system and online redressal of the Shareholders complaints. Our Company is in compliance with the SCORES and redressed the complaints well within the stipulated time.

(xii) Factory location

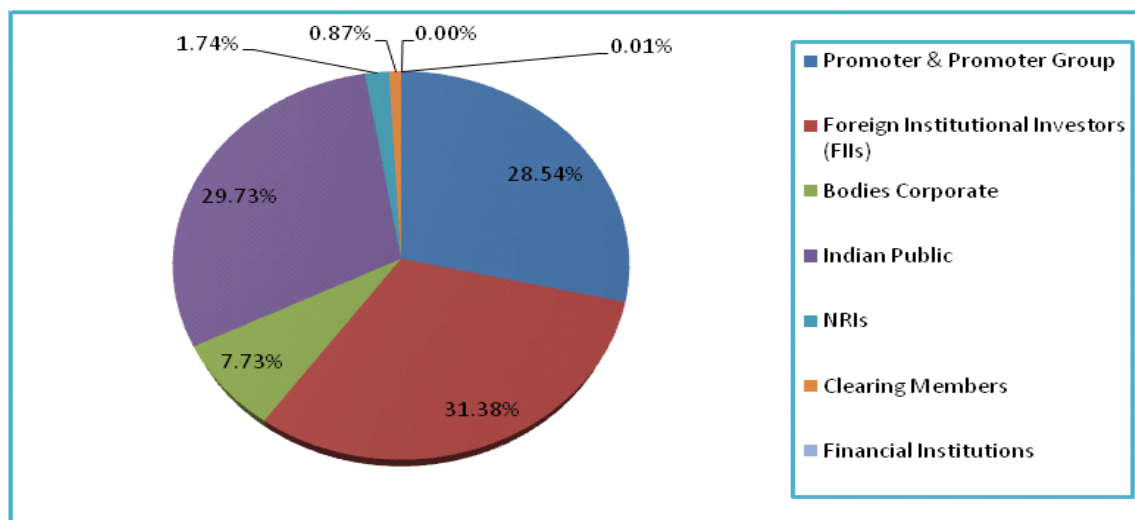
- (1) B-12/2, Lote Parshuram Industrial Area,
Taluka : Khed,
Distt. Ratnagiri
- (2) W-34, Phase – II,
MIDC, Dombivali (East), 421204
Distt. Thane

(xi) Address for correspondence:

Chromatic India Limited
207, Vardhaman Complex Premises Co-op Soc Ltd,
L. B. S. Marg, Vikhroli (W),
Mumbai – 400083
Phone No.: 022 61369800
Fax No.: 022 25793973
Email Id: dyestuff@bom3.vsnl.net.in, cs@chromatic.in
Website: www.chromatic.in

(xiii) Shareholding Pattern as on March 31, 2016

Category	Shareholders(Nos)	No of Shares	Percentage
Promoter & Promoter Group	1	20,273,305	28.54
Foreign Institutional Investors (FIIs)	8	22,292,388	31.38
Public Shareholding			
Bodies Corporate	148	5,489,925	7.73
Indian Public	5704	21,123,957	29.73
NRIs	122	1,239,166	1.74
Clearing Members	55	623,244	0.87
Financial Institutions/ Banks	0	0	0.00
Overseas Bodies Corporates	1	4,115	0.01
Grand Total	6039	71,046,100	100.00



**(xiv) Listing fees and Annual Custodian Fees**

The Company has already paid the Listing fees to National Stock Exchange of India Limited and Bombay Stock Exchange Limited for the F.Y 2016-17. The Company has yet to pay the Listing fees of Luxembourg Stock Exchange.

As on the date of this Annual Report, the Annual Custodian Fees for the year 2016-17 has been paid to CDSL & NSDL by the Company.

10. Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 123 of the Companies Act, 2013, the dividend for the following years, which remains unclaimed for seven years, will be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

Members who have not so far encashed their dividend warrants are requested to seek revalidation of dividend warrants in writing to the Company's Registrar and Share Transfer Agents, M/s Bigshare Services Private Limited, immediately. Members are requested to note that no claims shall lie against the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

Members are also advised to update their correspondence address in their demat accounts in case of their holdings in the electronic form or inform their latest correspondence address to the Registrars in case of holdings in physical form.

Information in respect of such unclaimed dividends due for transfer to the IEPF are as follows:

Financial Year	Date of Declaration of Dividend	Date on which dividend will become part of IEPF
2009-10(Interim)	January 29, 2010	March 07, 2017
2011-12(Interim)	February 08, 2012	March 16, 2019
2012-2013(Final)	September 30, 2013	November 06, 2020

11. Compliance Certificate of the Practicing Company Secretary

Certificate from the Practicing Company Secretary, M/s. R. N. Gupta & Co., confirming compliance with conditions of Corporate Governance as stipulated under Schedule V Part E of the Listing Regulations, is attached to this Report.

12. Disclosures**(a) Materially significant related party transactions that may have potential conflict with the interests of company at large.**

During the year 2015-16, there were no materially significant transactions with related parties i.e., directors, management, subsidiaries, or relatives conflicting with the Company's interest at large. Attention of Members is drawn to the disclosures of transactions with related parties set out in the Notes on Accounts forming part of the Annual Report. Policy on dealing with related party transactions available on the company's website www.chromatic.in

(b) Details of non-compliance by the company, penalties, imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

Company has complied with all the requirements of regulatory authorities. No penalties were imposed on the Company by Stock Exchanges, SEBI or any other statutory authority on any matter related to capital market during the last three years.

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

The Company has maintained a workplace where it can retain and treat all complaints concerning questionable accounting practices, internal accounting controls or auditing matters or concerning the reporting of fraudulent financial information to all our stakeholders. The employees should be able to raise these free of any discrimination, retaliation or harassment. Pursuant to the policy, employees are encouraged to report questionable accounting practices to Mr. Chirag B Shah, Chairman Audit Committee through email or by correspondence through post. Further details are available on the company's website www.chromatic.in



The Company also has established a whistle blower policy for the above purpose and no personnel has been denied access to the audit committee

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

The Company has complied with all mandatory requirements as per the provisions of the Listing Regulations and compliance with the non-mandatory requirements of this clause has been detailed hereunder:

- i) Communication to Shareholders: The quarterly, half-yearly and annual statement of financial results of the Company are published in newspapers and are also posted on the Company's website.
- ii) Audit Qualification: The Company is in the regime of qualified financial statements the disclosures and explanations relating to the same are submitted accordingly.
- iii) Reporting of Internal Auditor: The Internal Auditor directly reports to the Audit Committee.

(e) Code for prevention of Insider – Trading practices

In compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive Code of Conduct for prevention of insider trading, for its Management and staff. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them of the consequences of violations. No personnel have been denied access to the audit committee.

(f) Share Capital Audit Report:

A qualified practicing Company Secretary carried out share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Share Capital Audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. Pursuant to the provisions of the listing regulations entered by the Company with the Stock Exchanges, certificates, on a half yearly basis, have been issued by the Company Secretary in Practice for due compliance of share transfer formalities by the company.

(g) Policy on “Material” Subsidiaries

Policy for determining material subsidiaries of the Company is disclosed on the company's website www.chromatic.in

13. Other Disclosures

(a) None of the Directors received any loans and advances from the Company during the year.

During the year under review, none of the Directors received any loans and advances from the Company during the year.

(b) None of the Directors, except the following hold shares in the Company during the year.

During the year under review, the Company does not have any convertible securities nor have issued any convertible instruments. None of the Directors, except the following hold shares in the Company during the year:

Name of the Director	Category of Director	No. of Shares held
Mr. Vinod Kumar Kaushik (Whole-time Director) (DIN: 02586479)	Non Promoter Executive Director	100
Mr. Chirag B Shah (DIN: 06583820)	Independent, Non Executive Director	100

(c) Code of Conduct

Chromatic Code of Conduct laid down by the Company is applicable to all the Directors and Senior Management of the Company. The Code of Conduct is posted on the Company's website. All the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2016. A declaration to this effect, duly signed by the Whole time Director is forming part of this Annual Report.



The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

(d) Recruitment and Remuneration of Senior Officers

The Company has in place criteria of recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary and has followed the provisions of Schedule II Part E of the Listing regulations to the extent applicable.

(e) Compliance with Corporate Governance requirements

During the year under review the Company has complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

(f) Disclosures with respect to demat suspense account/ unclaimed suspense account

During the year under review the Company does not have any shares in the demat suspense account or unclaimed suspense account

14. Management Initiatives for Controls and Compliance

The internal financial controls have been documented, embedded and digitised in the business processes. Internal controls are regularly tested for design and operating effectiveness.



CHROMATIC INDIA LTD

Declaration by Whole-time Director

I, Vinod Kumar Kaushik (DIN: 02586479) Whole-time Director of Chromatic India Limited, pursuant to Schedule V Part D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereby confirm that:

The Board of Directors of Chromatic India Limited has laid down a code of conduct for all Board Members and Senior Management of the Company. All the Board Members and Senior Management Personnel have affirmed their compliance with the said code of conduct for the year ended March 31, 2016.

For Chromatic India Limited

Vinod Kumar Kaushik
(DIN: 02586479)
Whole Time Director

Date: June 29, 2016

Place: Mumbai



Certificate on Corporate Governance

[Pursuant to Schedule V Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors,
Chromatic India Limited
207, Vardhaman Complex Premises
Co. Op. Society Ltd., L. B. S. Marg,
Vikhroli (West),
Mumbai - 400083

We have examined the relevant records of Chromatic India Limited for the purpose of certifying the compliance of conditions of Corporate Governance as stipulated in the revised provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as the "Listing Regulations") entered into by the Company with stock exchanges in India as applicable on the Company for the year ended March 31, 2016.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the provisions of the above mentioned Listing Regulations.

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

For R. N. GUPTA & CO.

Practicing Company Secretaries

(R. N. GUPTA)

Proprietor
FCS No. 4693
COP No. 3131

Place: Mumbai
Dated: June 29, 2016



Certification by Whole Time Director

COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) READ WITH SCHEDULE II PART B OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I Vinod Kumar Kaushik (DIN: 02586479), Whole Time Director of the Company certify that:

- A) I have reviewed financial statements and the cash flow statement for the year ended March 31, 2016 and that to the best of my knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2016 which are fraudulent, illegal or violative of the Company's code of conduct.
- C) I accept responsibility for establishing and maintaining Internal Controls for financial reporting and that I have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which I was aware and the steps I have taken or propose to take to rectify these deficiencies.
- D) I have indicated to the Auditors and the Audit committee:
- (1) significant changes in Internal Control over financial reporting during the year ended March 31, 2016, if any;
 - (2) significant changes in Accounting Policies, if any, during the year ended March 31, 2016 and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

For Chromatic India Limited

Vinod Kumar Kaushik
(DIN: 02586479)
Whole Time Director

Date: June 29, 2016
Place: Mumbai



Independent Auditor's Report

To The Members of **Chromatic India Limited**

Report on the Standalone Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 thereunder.

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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, subject to note nos. 27, 28, 29, 30, 33 & 35 give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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



Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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, 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014; and
 - e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 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 B', and
 - g) With respect to 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:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S. K. Badjatya & Co.
Chartered Accountants
Firm Registration No. 004017C

CA. Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date: 28th May, 2016

**Annexure A to Auditors' Report**

The Annexure referred to in our Independent Auditors' Report to the members of Chromatic India Limited on the standalone financial statements for the year ended March 31, 2016, we report that:

1. In respect of its Fixed Assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed
 - c) According to the information and explanation given to us and on the basis of our examination of records of the company, immovable properties are held in the name of the company.
2. The inventories have been physically verified by the management during the year. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records
3. In respect of the Loans, secured or unsecured, granted by the company to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') there is no overdue amount of loan granted to said companies. The company has given non-interest bearing loan of Rs. 237.99 Cr. to its subsidiary for doing business in overseas market.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loans and investments made.
5. According to the information and explanations given to us, the company has not accepted any deposits from the public.
6. The Company is required to maintain the cost records as prescribed by the Central Government of India under sub-section (1) of section 148 of the Companies Act for the activities carried on by the company. We are of the opinion that prima facie the prescribed records have been maintained. We have, however, not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
7. In respect of statutory dues:
 - a) Undisputed statutory dues including provident fund, investor education and protection fund, Employees' state insurance, income-tax, sales-tax, wealth-tax, customs duty, excise duty, have not been regularly deposited with the appropriate authorities and there have been slight delays in few cases.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, wealth-tax, sales-tax, customs duty, excise duty and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except an amount of Rs. 20,79,000/- on account of Income Tax for the A.Y. 2012-13 for which return is also not filed, Rs. 2,30,510/- on account of Dividend Distribution Tax for the F.Y. 2012-13 and interest thereon.
 - c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules there under has been transferred to such fund within time.
8. Based on our audit procedures and as per the information and explanations given by the Management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders except one private financial company namely Easy Access Financial Services Ltd. Against the settlement amount of Rs. 145 Lacs to be paid in 5 instalments, company has paid only two instalments till 31.03.2016.
9. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.



CHROMATIC INDIA LTD

10. On the Basis of our examination and according to the information and explanation given to us, no material fraud, on or by the company, has been noticed or reported during the year.
11. According to the information and explanations given to us and on the basis of our examination of records of the company, the company has not paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given to us the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company.
16. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For S. K. Badjatya & Co.

Chartered Accountants
Firm Registration No. 004017C

CA. Sudhir K. Jain

Partner
Membership No. 072282

Place: Mumbai
Date: 28th May, 2016



Annexure B to the Auditor's Report

Report on the Internal Financial Controls 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 Chromatic India Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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.

Auditors' 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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.

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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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 S. K. Badjatya & Co.
Chartered Accountants
Firm Registration No. 004017C

CA. Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date: 28th May, 2016



CHROMATIC INDIA LTD

Balance Sheet as on 31st March 2016

(Amount in INR)

Particulars	Note No.	As on 31th March 2016	As on 31st March 2015
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	1	710,461,000	710,461,000
(b) Reserves and Surplus	2	2,770,893,096	2,641,050,042
		<u>3,481,354,096</u>	<u>3,351,511,042</u>
Non-Current Liabilities			
(a) Long-Term Borrowings	3	587,471	215,063
(b) Deferred Tax Liabilities		3,996,220	4,071,791
(c) Long-Term Provisions		-	-
		<u>4,583,691</u>	<u>4,286,854</u>
Current Liabilities			
(a) Short-Term Borrowings	4	56,290,457	65,053,616
(b) Trade Payables	5	691,872,310	666,009,707
(c) Other Current Liabilities	6	13,130,799	4,098,191
(d) Short-Term Provisions	7	1,219,010	565,300
		<u>762,512,576</u>	<u>735,726,814</u>
TOTAL		<u>4,248,450,363</u>	<u>4,091,524,709</u>
II. ASSETS			
Non-Current Assets			
(a) Fixed Assets			
i) Tangible Assets	8	37,031,424	35,182,074
ii) Intangible Assets		-	-
iii) Capital Work-In-Progress	8	1,057,200,000	1,057,200,000
iv) Intangible Assets Under Development		-	-
(b) Non-Current Investments	9	2,264,490	2,264,490
(c) Long-Term Loans and Advances	10	2,397,851,855	2,268,121,946
(d) Other Non-Current Assets		-	-
		<u>3,494,347,769</u>	<u>3,362,768,510</u>
Current Assets			
(a) Current Investments		-	-
(b) Inventories	11	74,905,928	61,296,905
(c) Trade Receivables	12	553,381,104	546,929,110
(d) Cash and Bank Balances	13	22,696,055	20,419,525
(e) Short-Term Loans and Advances	14	103,119,507	100,110,659
		<u>754,102,594</u>	<u>728,756,199</u>
TOTAL		<u>4,248,450,363</u>	<u>4,091,524,709</u>

Significant Accounting Policies and Notes to Financial Statements 23 to 48

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For S.K.Badjatya & Co

Chartered Accountants

(Firm Regn. No. 004017C)

CA. Sudhir K. Jain

Partner

Membership No.: 072282

Place : Mumbai

Date : 28th May, 2016

For and on behalf of Board of Directors

Mr.V.K.Kaushik

Wholtime Director

Din No : 02586479

Mr.Chirag Shah

Director

Din No : 06583820

Suruchi Pednekar

Company Secretary

Membership No. ACS 43002

Place: Mumbai

Date : 28th May, 2016



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Statement of Profit & Loss for the year ended 31st March 2016

(Amount in INR)

Particulars	Note No.	As on 31st March 2016	As on 31st March 2015
I. INCOME			
(a) Revenue from operations	15	287,759,324	407,352,652
(b) Other income	16	8,102,786	7,885,413
Total		295,862,110	415,238,065
II. Expenses			
(a) Raw Material consumed	17	250,318,428	363,033,921
(b) (Increase)/Decrease in Inventories (WIP)	18	(5,541,067)	(4,356,390)
(c) Employee benefits expense	19	15,955,221	14,552,004
(d) Finance Cost	20	2,785,087	8,896,297
(e) Depreciation and Amortization expense	21	2,406,975	2,426,255
(f) Other expenses	22	29,681,485	30,197,338
Total		295,606,129	414,749,425
III. Profit before tax		255,981	488,640
IV. Tax expense:			
(a) Current tax		48,000	80,000
(b) Deferred tax		(75,571)	95,285
(c) Earlier Years		13,110	-
Add/(Less): Prior year income (net)		-	-
V. Net Profit after Tax		270,442	313,355
VI. Earnings per Equity Share:			
(a) Basic		0.004	0.004
(b) Diluted		0.004	0.004

Significant Accounting Policies and Notes to Financial Statements 23 to 48

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
For S.K.Badjatya & Co
Chartered Accountants
(Firm Regn. No. 004017C)

CA. Sudhir K. Jain
Partner
Membership No.: 072282
Place : Mumbai
Date : 28th May, 2016

For and on behalf of Board of Directors

Mr.V.K.Kaushik
Wholtime Director
Din No : 02586479

Mr.Chirag Shah
Director
Din No : 06583820

Suruchi Pednekar
Company Secretary
Membership No. ACS 43002
Place: Mumbai
Date : 28th May, 2016



CHROMATIC INDIA LTD

CASH FLOW STATEMENT AS ON 31.03.2016

(Amount in Lacs)

PARTICULARS	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
I CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extraordinary Items	2.56	4.89
Adjustment for :		
Depreciation	24.07	24.26
Interest	20.72	71.33
Rental Income	(10.08)	(9.60)
Gain on sale of Fixed Assets	(0.20)	-
Loss on sale of Fixed Assets	2.92	-
Dividend Income	0.04	(2.80)
Interest earned	(2.76)	-
Loss/ expenses of previous year adjusted	-	-
	34.70	83.19
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	37.26	88.08
Adjustment for :		
Trade and other Receivables including Loans & Advances	(96.18)	1,176.43
Inventories	(136.09)	115.37
Trade & Other Payables	355.73	(684.68)
	123.46	607.12
CASH GENERATED FROM OPERATIONS	160.72	695.20
Taxes Paid	-	-
NET CASH FROM OPERATING ACTIVITIES	160.72	695.20
II CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(63.80)	(7.25)
Proceeds from Sale of Fixed Assets	18.52	-
Rental Income	10.08	9.60
Dividend Income	-	-
FD Under Lien	(0.89)	(0.82)
Interest Received	2.76	2.80
	(33.34)	4.33
NET CASH USED IN INVESTING ACTIVITIES	127.38	699.53
III CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) / increase in Long Term Borrowings	3.72	(1.25)
(Repayment) / increase in Short Term Borrowings	(87.63)	(509.23)
Investment in Subsidiary	-	-
Dividend Paid	-	-
Interest Paid	(20.72)	(71.33)
	(104.63)	(581.81)
NET CASH USED IN FINANCING ACTIVITIES	22.75	117.72
IV NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		
ADD : Opening Balance as on 01.04.2016 (P.Y. As on 01.04.15)	204.20	86.48
Total Cash Flow	226.95	204.20
Closing Balance As on 31.03.2016 (P.Y.As on 31.03.2015)	226.96	204.20
Notes to the cash flow statement :		
Cash and cash equivalent consist of cash on hand and balances with banks and investments in money market instruments.		
	31.03.2016	31.03.2015
Cash on hand	9.75	11.40
Balances with banks	217.21	192.79
	226.96	204.20

For S.K.Badjatya & Co
Chartered Accountants
(Firm Regn. No. 004017C)

CA. Sudhir K. Jain
Partner
Membership No.: 072282

Place : Mumbai
Date : 28th May, 2016

For and on behalf of Board of Directors

Mr.V.K.Kaushik
Wholetime Director
Din No : 02586479

Mr.Chirag Shah
Director
Din No : 06583820

Suruchi Pednekar
Company Secretary
Membership No. ACS 43002

Place: Mumbai
Date : 28th May, 2016



Notes forming part of the financial statements

Note -1 Share Capital

1.1 Particulars	As at 31 March 2016		As at 31 March 2015	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs 10/- each	125000000	1,250,000,000	125000000	1,250,000,000
Issued				
Equity Shares of Rs 10/- each	71046100	710,461,000	71046100	710,461,000
Subscribed & Paid up				
Equity Shares of Rs 10/- each fully paid	71046100	710,461,000	71046100	710,461,000
Total	71046100	710,461,000	71046100	710,461,000

1.2 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2016		As at 31 March 2015	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	71046100	710,461,000	71046100	710,461,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	71046100	710,461,000	71046100	710,461,000

1.3 Details of Shares held by the Holding Company, the ultimate Holding Company their subsidiaries and associates

Particulars	As at 31 March 2016		As at 31 March 2015	
	Number	Amount	Number	Amount
M/s Cheetah Multitrade Private Limited, Holding Company of Chromatic India Limited	20273305	202,733,050	20988305	209,883,050

1.4 Details of shares held by each shareholder holding more than 5 percent shares

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	Shares held	% of Holding	Shares held	% of Holding
The Bank Of New York Mellon, DR	-	-	25096941	35.32%
M/s. Cheetah Multitrade Pvt. Ltd.	20273305	28.54%	20273305	28.54%



CHROMATIC INDIA LTD

Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Note-2 Reserves and Surplus		
a. Capital reserve		
Opening balance	1,695,000	1,695,000
Add: Additions during the year (give details)	-	-
Less: Utilised / transferred during the year (give details)	-	-
Closing balance	1,695,000	1,695,000
b. Securities premium account		
Opening balance	1,985,812,100	1,985,812,100
Add : Premium on shares issued during the year	-	-
Less : Utilised during the year for:		
Issuing bonus shares	-	-
Closing balance	1,985,812,100	1,985,812,100
c. General reserve		
Opening balance	17,978,960	17,978,960
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year for:		
Issuing bonus shares	-	-
Others (give details)	-	-
Closing balance	17,978,960	17,978,960
d. Foreign currency translation reserve		
Opening balance	627,179,720	538,594,363
Add / (Less): Effect of foreign exchange rate variations during the year	129,572,613	88,585,357
Add / (Less): Transferred to Statement of Profit and Loss on disposal of the net investment in non-integral foreign operations	-	-
Closing balance	756,752,333	627,179,720
e. Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	8,384,262	8,845,647
Add: Profit / (Loss) for the year	270,442	313,355
Add: Adjustment Relating to Fixed Assets*	0	(774,141)
TOTAL	8,654,703	8,384,862
Add/ (Less): Prior Period Expenses	0	(600)
Profit after Tax and Prior Period Adjustments	8,654,703	8,384,262
Less: Provision for dividend (including Dividend Tax)	-	-
Closing balance	8,654,703	8,384,262
Total	2,770,893,096	2,641,050,042

* pursuant to provisions of Companies Act; 2013



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Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Note-3 Long-term borrowings		
a. Term loans		
From banks		
Secured	-	-
Unsecured	-	-
Total	-	-
From other parties		
Secured*	587,471	215,063
Unsecured	-	-
Total	587,471	215,063
Total	587,471	215,063

* Secured by Hypothecation of underlying assets purchased.

Note - 4 Short-term borrowings

a. Loans repayable on demand		
From banks		
Secured#: 1. Cash Credit Limit from Bank of India	16,044,419	(7,827,954)
2. Export Packing Credit Limit from Bank of India	4,132,023	29,089,999
Unsecured	-	-
Total (a)	20,176,442	21,262,045
b. From other parties		
Secured @	15,785,672	21,485,672
Unsecured	19,930,427	21,930,427
Advances from Customer	397,916	375,472
Total (b)	36,114,015	43,791,571
Total	56,290,457	65,053,616

Secured by exclusive charge on the underlying plant & machineries i.e. Hot Air Generator, Hypothecation of Stocks, Collateral Security of Equitable Mortgage of Land & Buildings situated at B-12/2, Lote Parshuram Indl. Area, Taluka-Khed, Distt. Ratnagiri and simple deposit of title deeds of office premises situated at Vikhroli, Mumbai.

@ Secured by shares held by the Promoters



CHROMATIC INDIA LTD

Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Note - 5 Trade payables		
Trade payables:		
Acceptances	-	-
Other than Acceptances	691,872,310	666,009,707
Total	691,872,310	666,009,707
Note-6 Other current liabilities		
a. Current maturities of long-term debt (Refer Note (i) below)	-	-
b. Current maturities of finance lease obligations	381,573	124,670
c. Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	317,573	496,472
(ii) Others: Salary & Wages	779,610	605,140
(iii) Other Liabilities	11,604,043	2,791,909
(iv) Current Year Tax Provision	48,000	80,000
Total	13,130,799	4,098,191
Note (i): Current maturities of long-term debt (Refer Notes 3 - Long-term borrowings for details of security and guarantee):		
(a) Term loans		
From Banks		
Secured	-	-
Unsecured	-	-
(b) From other parties		
Secured	381,573	124,670
Unsecured	-	-
Total	381,573	124,670
Note-7 Short-term provisions		
Provision for employee benefits:		
i. Provision for bonus	403,200	397,600
ii. Provision for other employee benefits - Exgratia	172,800	167,700
iii. Provision for Gratuity employee benefits	643,010	-
Total	1,219,010	565,300



Note-8

Fixed Assets

	Particular	Gross Block					Accumulated Depreciation				Net Block	
		Balance as at 01.04.2016	Additions	Other Adjustments	Deductions	Balance as at 31.03.2016	Up to 31.03.2015	Depreciation charge for the year	On disposals	Balance as at 31.03.2016	Balance as at 31.03.2016	Balance as at 31.03.2015
a)	Tangible Assets											
	LAND - LEASE HOLD	11,702,920	-	-	-	11,702,920	858,612	156,712	-	1,015,324	10,687,596	10,844,308
	BLDG. & RESI. FLAT	30,648,278	-	-	-	30,648,278	16,811,015	994,127		17,805,142	12,843,136	13,837,263
	PLANT & MACHINERY	54,872,325	3,002,554	-	2,269,128	55,605,751	46,177,421	640,742	961,242	45,856,921	9,748,830	8,694,904
	OFFICE & OTHERS EQUIP.	5,809,842	335,297	-	-	6,145,139	5,511,090	151,808	-	5,662,898	482,241	298,752
	FURNITURE & FIXTURE	2,781,217	-	-	-	2,781,217	2,775,978	866		2,776,844	4,373	5,239
	VEHICLES	4,752,142	3,042,435	-	1,646,048	6,148,529	3,250,532	462,720	829,971	2,883,281	3,265,248	1,501,610
	TOTAL	110,566,724	6,380,286	-	3,915,176	113,031,834	75,384,648	2,406,975	1,791,213	76,000,410	37,031,424	35,182,074
b)	Intangible Assets											
	CAPITAL W.I.P.	1,057,200,000	-		-	1,057,200,000	-			-	1,057,200,000	1,057,200,000
	TOTAL (A+B)	1,167,766,724	6,380,286	-	3,915,176	1,170,231,834	75,384,648	2,406,975	1,791,213	76,000,410	1,094,231,424	1,094,857,472
	Previous Year	1,167,237,014	578,851	-	-	1,167,815,865	69,334,571	3,623,822	-	72,958,393	1,094,857,472	1,097,902,443

NOTES:

- 8.1 Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortisation and Depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted net of tax, in the opening balance of Profit and Loss Account amounting to Rs 7.74 lacs.
- 8.2 In the absence of complete details of additions in the case of buildings, revised estimated remaining life has been considered as certified by the management. The WDV as on 31.03.2014 has been depreciated in the remaining estimated life of the asset as such. In the case of Factory Building remaining life has been estimated at 10 years and in case of office and store building, the life has been estimated at 35 years.
- 8.3 Leased hold land has been depreciated over the lease period as per the policy of the company.


Note - 9 Non-Current Investment
Details of Non-Current Investment

Name of the Body	Corporate Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)	
		2016	2015			2016	2015	2016	2015
Investment in Equity Instruments									
Long Term, Trade									
Chromatic Ferro Alloys Ltd. Equity shares of 10/- each fully paid up	Subsidiary	99940	99940	Unquoted	Fully paid	99.94%	99.94%	999,940	999,940
Chromatic International FZE Equity shares of 100000 AED each fully paid	Subsidiary	100000	100000	Unquoted	Fully paid	100%	100%	1,228,550	1,228,550
Long Term, Non - Trade									
Equity shares of Bank of India of Rs. 10 each at a premium of Rs. 35/- each	Others	800	800	Quoted	Fully paid	-	-	36,000	36,000
Total								2,264,490	2,264,490

Particulars	As at 31st March, 2016	As at 31st March, 2015
	₹	₹

Note - 10 Long-term loans and advances

a. Security deposits		
Secured, considered good	-	-
Unsecured, considered good	1,353,114	1,274,181
Doubtful	-	-
Sub-Total	1,353,114	1,274,181
Less: Provision for doubtful deposits	-	-
Sub-Total (a)	1,353,114	1,274,181
b. Loans and advances to related parties		
Secured, considered good	-	-
Unsecured, considered good:		
- Arcoiris SA	13,603,915	13,603,915
- Chromatic International FZE	2,379,905,128	2,250,332,515
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
Sub-Total (b)	2,393,509,043	226,393,430
c. Advance income tax (net of provisions) - Unsecured, considered good	2,989,698	2,911,335
Sub-Total (c)	2,989,698	2,911,335
Total (a+b+c)	2,397,851,855	2,268,121,946



29TH ANNUAL REPORT 2015-16

Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Note-11 Inventories		
(At lower of cost and net realisable value)		
a. Raw materials (including Goods in transit)	54,244,996	46,177,040
b. Finished Goods	-	-
c. Work-in-progress	20,660,932	15,119,865
Total	74,905,928	61,296,905
Note-12 Trade receivables		
a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	427,259,495	466,560,745
Doubtful	-	-
Sub-Total	427,259,495	466,560,745
Less: Provision for doubtful trade receivables	-	-
Total	427,259,495	466,560,745
b. Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	126,503,872	80,750,627
Doubtful	-	-
Sub-Total	126,503,872	80,750,627
Less: Provision for doubtful trade receivables	382,263	382,263
Total	126,121,609	80,368,364
	553,381,104	546,929,110
Note-13 Cash and cash equivalents		
a. Cash on hand	975,111	1,140,453
b. Cheques, drafts on hand	-	-
c. Balances with banks:		
(i) In current accounts	18,498,414	16,371,891
(ii) In EEFC accounts		
(iii) In deposit accounts	74,603	69,089
(iv) In earmarked accounts		
- Unpaid dividend accounts	1,769	1,769
- Unpaid matured deposits	-	-
- Unpaid matured debentures	-	-
- Share application money received for allotment of securities and due for refund	-	-
- Balances held as margin money or security against borrowings, guarantees and other commitments	3,145,520	2,835,685
- Other earmarked accounts (Gratuity Account)	638	638
Total	22,696,055	20,419,525



CHROMATIC INDIA LTD

Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Note-14 Short-term loans and advances		
a. Loans and advances to employees		
Secured, considered good	-	-
Unsecured, considered good	1,152,950	818,181
Doubtful	-	-
	<u>1,152,950</u>	<u>818,181</u>
Less: Provision for doubtful loans and advances	-	-
Total (a)	<u>1,152,950</u>	<u>818,181</u>
b. Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	72,577	84,871
Total (b)	<u>72,577</u>	<u>84,871</u>
c. Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	-	-
(ii) VAT credit receivable	16,063,603	19,138,417
(iii) Service Tax credit receivable	273,868	265,577
(iv) Export Incentive Receivable	22,440,622	13,875,155
(v) Balance with Central Excise	11,535,535	14,855,210
Total (c)	<u>50,313,628</u>	<u>48,134,359</u>
d. Others (Advances Recoverable)		
Secured, considered good	-	-
Unsecured, considered good	51,580,352	51,073,248
Doubtful	-	-
Sub-Total	<u>51,580,352</u>	<u>51,073,248</u>
Less: Provision for other doubtful loans and advances	-	-
Total (d)	<u>51,580,352</u>	<u>51,073,248</u>
Total	<u>103,119,507</u>	<u>100,110,659</u>



29TH ANNUAL REPORT 2015-16

Particulars	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
15. Revenue from Operations		
Sale of products	272,830,291	313,336,362
Sales of traded goods	14,929,033	94,016,290
Total	287,759,324	407,352,652
16. Other Income		
Interest Received	275,682	279,930
Dividend-others from Long Term Investments	4,000	-
Rent Recd	1,008,000	960,000
Conversion Charges	1,368,944	1,319,906
Duty Drawback	5,153,633	5,081,390
Misc & other income	292,527	244,187
Total	8,102,786	7,885,413
17. Purchase & Direct Expenses		
Raw Material consumed		
Opg Stock of Raw Material	46,177,040	62,070,822
Add : Raw Material Purchase	247,816,057	335,154,252
Packing Material	4,555,223	2,625,292
Freight Inward	6,015,104	9,360,594
	304,563,425	409,210,961
Less : Closing stock	54,244,996	46,177,040
Total	250,318,428	363,033,921
18. (Increase)/Decrease in Inventories		
Inventory at the beginning of the year Finished & Work in Progress		
Finished Goods	-	-
Work in Progress	15,119,865	10,763,475
TOTAL	15,119,865	10,763,475
Inventory at the end of the year		
Finished Goods	-	-
Work in Progress	20,660,932	15,119,865
TOTAL	20,660,932	15,119,865
(Increase) in Inventories	(5,541,067)	(4,356,390)
19. Employee Benefit Expenses		
Salary, Wages and Bonus Etc.	13,406,318	12,399,107
Company's Contribution to Provident Fund, ESIC & Gratuity	1,704,493	1,384,552
Staff welfare Expenses & other Amenities	844,410	768,345
Leave Encashment	-	-
Total	15,955,221	14,552,004



CHROMATIC INDIA LTD

Particulars	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
20. Finance Cost		
Interest expense		
Bank Interest	1,956,670	3,637,290
Other Interest	115,611	3,496,169
Bank Charges	712,806	1,762,838
Total	2,785,087	8,896,297
21. Depreciation and Amortization Expenses		
Depreciation on tangible assets	2,406,975	2,426,255
Total	2,406,975	2,426,255
22. Other Expenses		
Rates & Taxes	425,813	1,020,499
Power & Water	4,504,296	4,516,046
Stores & Spares	1,990,555	1,083,331
Repairs and Maintenance :	-	-
- Repairs to Building	1,331,722	319,095
- Repairs to Machinery	616,961	391,377
- Repairs to Others	137,997	124,030
Advertisement & Sales Promotion	174,369	125,820
Freight & Forwarding Charges	4,194,442	5,941,611
Travelling Expenses	353,629	370,627
Auditor's Remuneration (Refer Note No.21)	469,565	500,206
Insurance	157,748	174,024
Telephone Charges	274,182	232,832
Car Expenses	905,362	730,632
Labour Charges	3,834,487	3,170,856
Stamp duty on lease agreement	-	-
General Expenses	2,932,483	2,325,364
Annual Listing Exps	442,733	675,026
Professional Charges	1,623,792	1,100,844
Printing & Stationery	304,835	223,671
Balance Written Off	302,782	5,948,998
Foreign Exchange Loss (Net)	4,703,731	1,222,449
Total	29,681,485	30,197,338
*Payment to Auditors		
a) As Auditors		
Statutory Audit fee	190,000	
Tax Audit Fees	50,000	240,000
Other services (certification fees)		99,980
Reimbursement of expenses		140,226
Total	469,565	500,206

**Notes forming part of the financial statements****Note-23 Company Overview**

The Company is currently in the business of manufacturing, trading and export of Synthetic Organic Dyestuff and dyes intermediates. The Company concentrates on the Reactive Dyestuff mainly Vinyl Sulfone type, bi-functional, multi-functional and high exhaustion and the latest dyestuff to make liquid dyestuff. All the products are appreciated all over the world. At present, the Company is manufacturing only Reactive Dyes based on Vinyl Sulphone & Cyanuric Chloride. In future, the Company is planning to manufacture Disperse & Vat Dyes. The Company has also started trading activities in chemicals and building material and also has taken Power Trading licence from Govt. of India.

Note-24 Significant Accounting Policies**24.1 Basis of Preparation of Financial Statements**

- a) These financial statements have been prepared in compliance with the Generally Accepted Accounting Principles applicable in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.
- b) The financial statements have been prepared under historical cost convention, on an accrual basis. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lacs.

24.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

24.3 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty, Sales Tax and VAT are deducted from turnover (gross).

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognised even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet.

Rentals

Revenue is recognised on accrual & time proportion basis.

24.4 Accounting for Export Incentive:

Export incentive are recognised on exports on accrual basis, and based on the estimated realizable value of such entitlements.

24.5 Fixed Assets

Fixed Assets are stated at cost (net of Cenvat Credit) of acquisition/construction and includes amounts added on revaluation, less accumulated depreciation and impairment loss. Cost includes purchase price, borrowing costs and any direct expenses as well as clearly identifiable indirect expenses incurred to bring the assets to their working condition for its intended use.

24.6 Depreciation and Amortisation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on 'Straight Line Method' as on 31.03.2014



on the remaining useful life of the Assets in the manner and at the rates specified in Schedule II of the Companies Act, 2013 except in the case of buildings where WDV as on 31.03.2014 has been depreciated in the remaining estimated life of the asset (as certified by the management in the absence of complete details of additions), which is different than those prescribed in schedule-II. Assets acquired under finance lease are depreciated over the period of lease. Leasehold land & premium thereon are depreciated over the period of lease. Also individual capital items of upto a value of Rs.5,000/- have been fully depreciated.

24.7 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

24.8 Leased Assets

Finance leases, which effectively transfer to the Company, all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised. If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

24.9 Foreign Currency Transactions

i) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences:

Exchange differences arising on a monetary item that, in substance, form part of the company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expenses.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

iv) Forward Exchange Contracts not intended for trading or speculation purposes:

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or as expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

24.10 Investment

Investments that are readily realisable and intended to be held for not more than a year are classified as current



investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the Investment.

24.11 Inventories

Inventories are valued as follows:

Raw materials, packing material, Work in progress, components, stores and spares:

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First in First out basis (FIFO).

Finished goods:

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the product saleable.

24.12 Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

24.13 Employee Benefits

Retirement benefits in the form of Provident Fund and Government administered Employees Insurance and Pension Plans are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.



Gratuity liability is a defined benefit obligations and are provided for on the basis of an actuarial valuation. The Company makes annual contributions to the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The Scheme provides for lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The Company has a scheme for compensated absences for employees, the liability of which is recognized on actual basis instead of accrual basis and charged to Profit and Loss Account in the year of payment.

Expenditure on Voluntary Retirement Scheme are amortised over the period of two years.

24.14 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

24.15 Earnings Per Share

Basic earnings per shares is computed and disclosed using the weighted average number of common shares outstanding during the year. Diluted earnings per share is computed and disclosed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except when the results would be anti-dilutive

24.16 Provision

A provision is recognized when an enterprise has a present obligation as a result of past event; 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 are not discounted to its present value and are determined based on 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.

24.17 Cash and Cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



Notes forming part of the financial statements

OTHER NOTES TO ACCOUNTS

- 25 **Contingent liabilities not provided for:**
- | | As at 31-03-16
(Rs. In Lacs) | As at 31-03-15
(Rs. In Lacs) |
|--|---|---|
| Income Tax Demand for which company has gone into appeal | 2914.00 | 0 |
| Bank Guarantees (secured by fixed deposit receipts) | 5.26 | 3.89 |
- 26 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.
- The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.
- 27 In the opinion of the Board, current assets, loans and advances shall have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known liabilities have been made and contingent liabilities disclosed properly. Balances of sundry debtors, sundry creditors, loans and advances and other personal accounts are subject to confirmation and reconciliation. Consequential impact, if any, will be considered as and when determined.
- 28 Loans & Advances includes non-interest bearing unsecured loan of Rs. 2,379,905,128/- given to Chromatic International FZE, the subsidiary of the company for overseas Business Development. The subsidiary did not do any business during the year.
- 29 The Company had made investments in erstwhile subsidiary namely Arcoiris SA with a view to have establishment abroad to penetrate into foreign market. Net worth of Arcoiris SA is fully eroded and the company has been liquidated during the year 2011-12. However, no provision is made for investment made by the company in Arcoiris S.A. amounting to Rs.26.23 lacs and advances and interest receivable amounting to Rs. 109.81 lacs, which are doubtful of recovery. The amount has been shown as Long Term Loans & Advances.
- 30 The company has made Advances for capital work in progress amounting to Rs. 105.72 Crores during previous accounting years for setting up of power plant. The procurement has not been done for pending clearances from the Govt. These advances are subject to confirmation and reconciliation.
- 31 No events or transactions have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statements at the date or for the period then ended, other than those reflected or fully disclosed in the books of account.
- 32 **Net amount of exchange differences**
- | | As at 31-03-16
(Rupees) | As at 31-03-15
(Rupees) |
|---|------------------------------------|------------------------------------|
| The net amount of exchange differences debited / (credited) 'to profit & loss account | 4,703,731 | 1,222,449 |
- 33 During the year under review, the Company has initiated process of closure of its Indian unlisted subsidiary company, i.e., Chromatic Ferro Alloys Limited, as the company is non operational. The projects / plans of the Company could not be implemented due to operational difficulties. The respective investments in and loan given to these subsidiary companies have not been written off in the books of the Company. The same shall be adjusted / accounted for / written off in the year in which certificate of closure is received from the Registrar of Companies, Mumbai. In view of this the Company's consolidated results consists of Chromatic Ferro Alloys Limited and Chromatic International FZE - 100% non-integral foreign subsidiary together comprise "Group".
- 34 Provision for Gratuity payable to employees has been covered by the Group Gratuity Policy taken by the company with LIC of India and premium of the policy has been duly accounted for as advised by LIC of India as per communication dated 25.05.2016 on estimated basis. However, no provision has been made for leave encashment as required by AS-15 (Revised 2005) employee Benefits notified by Companies (Accounting Standard) Rules 2006 and the same shall be accounted for as and when paid.


A. Defined Contribution Plans - Employers contribution to Provident Fund :

During the year the company has recognized the following amounts in the statement of Profit & Loss

Employers Contribution to Provident fund	2015-16	2014-15
	905,490.00	740,225.00

B. State Plans - Employers contribution to Employee State Insurance:

During the year the company has recognized the following amounts in the Statement of Profit & Loss

Employers Contributions to Employee State Insurance	2015-16	2014-15
	4,052.00	8,396.00

Present value of gratuity obligation based on actuarial valuation using the projected unit credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to built up the final obligation

I. Change in present value of obligations:	Gratuity 2015-16 (Estimated) *	Gratuity 2014-15
Present value of obligation at the beginning	4,208,336.00	3,789,133.00
Current service costs	615,000.00	195,309.00
Benefits paid	-	-
Acturial (Gain)/Loss on obligation	-	223,894.00
Present value of obligation at the end	4,823,336.00	4,208,336.00
II. Amount to be recognized in the Balance Sheet:	2015-16 (Estimated) *	2014-15
Present value of obligation at the end of the current year	4,823,336.00	4,208,336.00
Fair value of plan assets at the end of the I.V.P	-	-
Funded status	4,208,336.00	4,208,336.00
Unrecongized Actuarial (Gain)/Loss at the end	-	-
Net Assets/ (Liability) Recognized in the Balance Sheet	615,000.00	-
III. Expenses recognized in the Statement of Profit & Loss:	2015-16 (Estimated) *	2014-15
Current service cost	615,000.00	195,309.00
Net Actuarial (Gain)/Loss recognized in the I.V.P	-	325,258.00
Expenses recognized in the Statement of Profit & Loss	28,310.00	15,275.00
IV. Actuarial Assumptions:	LIC 1994-96 (Ultimate) 2015-16 (Estimated) *	LIC 1994-96 (Ultimate) 2014-15
Discounting Rate	8.00%	8.00%
Salary Rise	5.00%	5.00%
Withdrawl Rate	1% - 3%	1% - 3%
Average Past Service	20	18.70

* The Life Insurance Corporation of India did not provide the detailed working of Gratuity Premium & other details for the Financial Year 2015-2016 due to switch over to New GGCA Plan being under implementation and advised to take a provision of 20% excess of the premium provided in previous year ended 31.03.2015 as per their communication dated 25/05/2016. Hence current year figures have been considered on estimated basis.



35 Segment reporting

The Company operates in one business segment, namely manufacturing & trading of S.O.Dyes & Chemicals and geographic segments i.e. the Domestic and the Overseas. They are summarised as follows. :

Particulars	Domestic	Overseas	Total
Sales	14,929,033 (94,016,290)	272,830,291 (313,336,362)	287,759,324 (407,352,652)
Total Sales	14,929,033 (94,016,290)	272,830,291 (313,336,362)	287,759,324 (407,352,652)

Figures in bracket represent previous year figures.

The following table shows the distribution of sales in India and outside India

Name of the country	2015-16 (Rupees)	2014-15 (Rupees)
India	14,929,033	94,016,290
Switzerland	172,110,224	193,772,747
Austria	10,627,985	19,217,770
Italy	339,532	4,018,223
Singapore	83,570,470	96,327,623
Hungary	6,182,080	-
Total	287,759,324	407,352,652

Disclosure of Segment-wise Liabilities and Profitability has not been possible, as the company has only one manufacturing plant and a unified marketing and administrative set-up.

Segment assets	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
Export Debtors	119,411,792	48,201,186
Total	119,411,792	48,201,186

36 Related Party Disclosures

As per the Accounting Standard 18, disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of related parties and relationships:

Name of the Related Party	Nature of Relationship
(a) Cheetah Multitrade Pvt. Ltd.	Holding Company
(b) Arcoiris SA	erstwhile 100% Subsidiary
(c) Chromatic International FZE	100% Subsidiary
(d) Chromatic Ferro Alloys Ltd	100% Subsidiary
(e) Mr.V.K.Kaushik	Key Managerial Personnel
(f) Mr.Ajay Sethi	Independent Director
(g) Mr. Chirag Shah	Independent Director
(h) Ms. Diana Mahesh Joshi	Independent Director
(i) Ms Bhoomika Jain (Resigned effective from 01.03.2016)	Company Secretary



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(ii) Entities in which any director or his relative is a partner , director or member

(a) Healthy Choice Agro India Limited	Company
(b) Chromatic Sponge Iron Limited	Company
(c) Chromatic Ferro Alloys Ltd.	Company
(d) Inshape Lifestyle Centre	Proprietorship

(iii) Remuneration to Whole Time Directors: (Includes benefits which are debited to respective expenses)	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
a Remuneration	1,056,000	918,000
b Provident Fund Contribution	126,720	110,160
c Other Perquisites (LTA & Medical Allowance)	132,926	15,000
Total	1,315,646	1,043,160

(iv) Transactions during the year with related parties(excluding reimbursements)	2015-16 (Rupees)	2014-15 (Rupees)
With Holding Company: Cheetah Multitrade Pvt. Ltd.		
Unsecured loan taken	-	3,295,938
With Arcoiris SA		
Sales	-	-
Interest income	-	-
With Subsidiary: Chromatic International FZE		
Investment in Share Capital of Chromatic International FZE	-	-
Unsecured loan given	-	-
With Subsidiary: Chromatic Ferro Alloys Ltd.		
Investment in Share Capital of Chromatic Ferro Alloys Ltd.	-	-
Advances given / received back	-	-
With Key Managerial Personnel :		
Mr.V.K.Kaushik-Remuneration	1,315,646	1,043,160
Mr.Ajay Sethi - Director Sitting Fees	7,000	6,500
Mr. Chirag Shah - Director Sitting Fees	7,000	6,500
Ms. Diana Mahesh Joshi - Director Sitting Fees	7,000	-
Ms. Bhoomika Jain - Remuneration	173,975	-
(v) Closing balance as on 31st March:		
With Holding Company: Cheetah Multitrade Pvt. Ltd.		
Unsecured loan taken	8,182,402	8,182,402
With Arcoiris SA		
Unsecured loan given (including interest and exchange rate difference)	13,603,915	13,603,915
With Subsidiary: Chromatic International FZE		
Investment in Share Capital of Chromatic International FZE	1,228,550	1,228,550
Unsecured loan given (including exchange rate difference)	2,379,905,128	2,250,332,515
With Subsidiary: Chromatic Ferro Alloys Ltd.		
Investment in Share Capital of Chromatic Ferro Alloys Ltd.	999,940	999,940
Advances given	450,000	450,000



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37 Calculation of Earning Per Shares

(i) Basic EPS	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
Net Profit / (Loss) after tax available for equity shareholders (Rupees) used as numerator	270,442	313,355
Weighted average no. of Equity Shares used as denominator	71,046,100	71,046,100
Basic Earning Per Share (In Rupees)	0.004	0.004
(ii) Diluted EPS	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
Net Profit / (Loss) after tax available for equity shareholders (Rupees) used as numerator	270,442	313,355
Weighted average no. of Equity Shares used as denominator	71,046,100	71,046,100
Diluted Earning Per Share (In Rupees)	0.004	0.004

38 Deferred Tax

Particulars	Opening Balance as at 01.04.201*	During the year 2015-16	Closing Balance as at 31.03.2016
Deferred Tax Assets			
Ex-Gratia	51,819	1,576	53,395
Bonus	122,858	1,731	124,589
Gratuity	-	198,690	198,690
VRS	-	-	-
	174,677	201,997	376,674
Deferred Tax Liability			
Depreciation	4,246,468	126,426	4,372,894
Net Deferred Tax Liability	4,071,791	(75,571)	3,996,220

39 Disclosure pursuant to Clause 32 of The Equity Listing Agreement and section 186 of the Companies Act, 2013 (Rs in Lacs)

Particulars	Year ended 31/03/2016	Year ended 31/03/2015
Loans and advances in the nature of loans to subsidiaries		
Chromatic International FZE		
Balance as at the year end	23,799.05	22,503.33
Maximum amount outstanding at any time during the year (Interest free loan given to subsidiary has been utilised for meeting working capital requirement)	23,825.49	22,886.75
Chromatic Ferro Alloys Ltd		
Balance as at the year end	4.50	4.50
Maximum amount outstanding at any time during the year (Interest free loan given to subsidiary has been utilised for meeting working capital requirement)	4.50	4.50



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40	Earnings in foreign currency	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
	F.O.B. Value of Exports (on accrual basis)	272,830,291	313,336,362
41	Value of import on CIF basis	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
	Raw Materials & Packing Material Purchased	41,775,907	167,473,054
	Stores and Spares Purchased	17,344	-
42	Expenditure in foreign currency	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
	Travelling Expenses	-	244,245

43 Particulars of unhedged foreign currency exposure as at balance sheet date

Particulars	Currency	As at 31-03-16		As at 31-03-15	
		USD	Rupees	USD/EURO	Rupees
Debtors (net of advances)	USD	1,758,010.00	116,613,902	764,110.98	47,826,318
	EURO	37,258.00	2,797,879	-	-

44 Pursuant to Accounting Standard (AS)-28 on "Impairment of Asset" issued by The Institute of Chartered Accountants of India, the company assessed its fixed assets for impairment as at 31st March 2016, and concluded that there have been no significant impaired fixed assets that need to be recognized in the books of accounts.

45 Disclosure as per clause 32 of the listing agreement:

Loans given to subsidiary company where no repayment schedule is prescribed.

Name of subsidiary company	As at 31-03-16 (Rupees)	Maximum balance outstanding during the year
Unsecured Loan to Chromatic International FZE	2,379,905,128 (2,250,332,515)	2,382,549,467 (2,288,675,431)

Figures in bracket represent previous year figures.

46 **Additional quantitative information**

A	Details of licensed and installed capacity and actual production	As at 31-03-16 in KG	As at 31-03-15 in KG
	Licensed capacity	1,200,000	1,200,000
	Installed capacity	1,200,000	1,200,000
	Actual production	735,616	892,123

B Details of finished goods / WIP as on 31-03-16

All Quantities are in KG

Particulars	Opening Stock		Production Turnover			Closing Stock	
	Quantity	Value (Rs.)	Quantity	Quantity	Value (Rs.)	Quantity	Value (Rs.)
S.O. Dyestuffs (Reactive dyes)	58,057	15,119,865	735,616	743,925	286,839,036	49,748	20,660,932
Total	58,057	15,119,865	735,616	743,925	286,839,036	49,748	20,660,932
Previous Year	(31,890)	(10,763,475)	(892,123)	(865,956)	(407,352,652)	(58,057)	(15,119,865)

Figures in bracket represent previous year figures.



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C Raw material consumed/ sales

Particulars	For the year ended 31-03-16		For the year ended 31-03-15	
	Quantity	Value (Rs.)	Quantity	Value (Rs.)
H. Acid	34689	21,118,201	133608	111,139,734
J. Acid	12457	6,399,111	12440	9,202,001
Vinyl Sulphone	14382	10,790,898	118252	33,691,956
F.Oil	31645	456,564	29575	820,787
Coal	773802	5,957,087	-	-
Other raw materials		205,596,567	-	208,179,443
		250,318,428		363,033,921

D Raw material/Packing material & stores & spares imported/ indigenous:

Particulars	For the year ended 31.03.2016		For the year ended 31.03.2015	
	Value (Rs.)	%	Value (Rs.)	%
A) Raw Material & Packing Material				
Imported	41,775,907	16.55	167,473,054	46.13
Indigenous	210,595,374	83.45	195,560,867	53.87
	252,371,281	100.00	363,033,921	100.00
B) Stores & Spares				
Imported	17,344	0.87	-	0.00
Indigenous	1,973,211	99.13	1,083,331	100.00
	1,990,555	100.00	1,083,331	100.00

- 47 The company has entered into, out of court settlement with M/s Easy Access Financial Services Ltd at a lumpsum amount of Rs 145.00 Lacs payable in five installments. The company has paid two installments in the year and delayed other installments. Being one time settlement, no interest has been provided during the year.
- 48 Previous year figures have been regrouped, rearranged, reclassified and reworked wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

AUDITORS' REPORT

For and on behalf of Board of Directors

As per our report of even date attached

For S.K.Badjatya & Co.

Chartered Accountants
(Firm Regn. No. 004017C)

Mr.V.K.Kaushik
Wholtime Director
Din No : 02586479

Mr.Chirag Shah
Director
Din No : 06583820

CA. Sudhir K. Jain

Partner
Membership No.: 072282

Place : Mumbai
Date : 28th May, 2016

Suruchi Pednekar

Company Secretary
Membership No. ACS 43002

Place: Mumbai
Date : 28th May, 2016



Independent Auditor's Report

To The Members of **Chromatic India Limited**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Chromatic India Limited** ("the Company") & its subsidiaries, hereinafter referred to as the "Group" which comprise the Consolidated Balance Sheet as at March 31, 2016, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated 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 and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated 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 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 thereunder.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 consolidated 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 consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, subject to note nos. 27, 28, 29, & 32 give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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



Other Matters

1. We have not audited the financial statements of the Chromatic International FZE a subsidiary of the Company, whose financial statements reflect Group's share of total assets of Rs. 23807.07 Lacs as at 31st March, 2016, (23423.37 Lacs as at 31.03.2015), the total revenue of Rs. 0.00 Lacs as at 31st March, 2016, (0.00 Lacs as at 31.03.2015) as considered in the consolidated financial statements. These financial statements of the subsidiary have been audited by other auditors whose report have been furnished to us, and our opinion, in so far as it relates to the amount included in respect of these subsidiaries, is based solely on the report of other auditors.
2. We have audited the financial statements of the Chromatic Ferro Alloys Limited a subsidiary of the Company, whose financial statements reflect Group's share of total assets of total assets of Rs. 0.00 Lacs as at 31.03. 2016, (13.00 Lacs as at 31.03.2015), the total revenue of Rs. 0.00 Lacs as at 31.03.2016, (0.00 Lacs as at 31.03.2015) and net cash inflows of Rs. 0.00 Lacs as at 31.03. 2016, (0.00 Lacs as at 31.03.2015) as considered in the consolidated financial statements.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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, 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 consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 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 B' , and
 - g) With respect to 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:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S. K. Badjatya & Co.
Chartered Accountants
Firm Registration No. 004017C

CA. Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date: 28th May, 2016

**Annexure A to Auditors' Report**

The Annexure referred to in our Independent Auditors' Report to the members of **Chromatic India Limited** ("the Company") and its subsidiaries, hereinafter referred to as the "Group" on the Consolidated Financial Statements for the year ended March 31, 2016, we report that:

1. In respect of its Fixed Assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed
 - c) According to the information and explanation given to us and on the basis of our examination of records of the company, immovable properties are held in the name of the company.
2. The inventories have been physically verified by the management during the year. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records
3. In respect of the Loans, secured or unsecured, granted by the company to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') there is no overdue amount of loan granted to said companies.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loans and investments made.
5. According to the information and explanations given to us, the company has not accepted any deposits from the public.
6. The Company is required to maintain the cost records as prescribed by the Central Government of India under sub-section (1) of section 148 of the Companies Act for the activities carried on by the company. We are of the opinion that prima facie the prescribed records have been maintained. We have, however, not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
7. In respect of statutory dues:
 - a) Undisputed statutory dues including provident fund, investor education and protection fund, Employees' state insurance, income-tax, sales-tax, wealth-tax, customs duty, excise duty, have not been regularly deposited with the appropriate authorities and there have been slight delays in few cases.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, wealth-tax, sales-tax, customs duty, excise duty and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except an amount of Rs. 20,79,000/- on account of Income Tax for the A.Y. 2012-13 for which return is also not filed, Rs. 2,30,510/- on account of Dividend Distribution Tax for the F.Y. 2012-13 and interest thereon.
 - c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules there under has been transferred to such fund within time.
8. Based on our audit procedures and as per the information and explanations given by the Management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders except one private financial company namely Easy Access Financial Services Ltd. Against the settlement amount of Rs. 145 Lacs to be paid in 5 instalments, company has paid only two instalments till 31.03.2016.
9. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
10. On the Basis of our examination and according to the information and explanation given to us, no material fraud, on or



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by the company, has been noticed or reported during the year.

11. According to the information and explanations given to us and on the basis of our examination of records of the company, the company has not paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given to us the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company.
16. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 .

For S. K. Badjatya & Co.
Chartered Accountants
Firm Registration No. 004017C

CA. Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date: 28th May, 2016

**Annexure B to the Auditor's Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March, 2016 we have audited the internal financial controls over financial reporting of Chromatic India Limited ("the Company") and its subsidiaries companies as of 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.

Auditors' 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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.

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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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 S. K. Badjatya & Co.
Chartered Accountants
Firm Registration No. 004017C

CA. Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date: 28th May, 2016



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Consolidated Balance Sheet as on 31st March 2016

(Amount in INR)

Particulars	Note No.	As on 31th March 2016	As on 31st March 2015
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	1	710,461,000	710,461,000
(b) Reserves and Surplus	2	2,864,666,012	2,730,940,731
		<u>3,575,127,012</u>	<u>3,441,401,731</u>
Non-Current Liabilities			
(a) Long-Term Borrowings	3	587,471	215,063
(b) Deferred Tax Liabilities		3,996,220	4,071,791
(c) Long-Term Provisions		-	-
		<u>4,583,691</u>	<u>4,286,854</u>
Current Liabilities			
(a) Short-Term Borrowings	4	56,290,457	65,053,616
(b) Trade Payables	5	691,872,310	666,009,707
(c) Other Current Liabilities	6	14,456,274	5,283,446
(d) Short-Term Provisions	7	1,219,010	565,300
		<u>763,838,051</u>	<u>736,912,069</u>
TOTAL		<u>4,343,548,754</u>	<u>4,182,600,654</u>
II. ASSETS			
Non-Current Assets			
(a) Fixed Assets			
i) Tangible Assets	8	37,031,424	35,182,074
ii) Intangible Assets		-	-
iii) Capital Work-In-Progress	8	1,057,200,000	1,057,200,000
iv) Intangible Assets Under Development		-	-
(b) Non-Current Investments	9	36,000	36,000
(c) Long-Term Loans and Advances	10	2,495,133,159	2,360,106,825
(d) Other Non-Current Assets		-	-
		<u>3,589,400,583</u>	<u>3,452,524,899</u>
Current Assets			
(a) Current Investments		-	-
(b) Inventories	11	74,905,928	61,296,905
(c) Trade Receivables	12	553,381,104	546,929,110
(d) Cash and Bank Balances	13	22,741,632	20,464,080
(e) Short-Term Loans and Advances	14	103,119,507	101,385,659
		<u>754,148,171</u>	<u>730,075,755</u>
TOTAL		<u>4,343,548,754</u>	<u>4,182,600,654</u>

Significant Accounting Policies and Notes to Financial Statements

23 to 45

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For S.K.Badjatya & Co
Chartered Accountants
(Firm Regn. No. 004017C)

CA. Sudhir K. Jain
Partner
Membership No.: 072282

Place : Mumbai
Date : 28th May, 2016

For and on behalf of Board of Directors

Mr.V.K.Kaushik
Wholetime Director
Din No : 02586479

Mr.Chirag Shah
Director
Din No : 06583820

Suruchi Pednekar
Company Secretary
Membership No. ACS 43002

Place: Mumbai
Date : 28th May, 2016



CHROMATIC INDIA LTD

Consolidated Statement of Profit & Loss for the year ended 31st March 2016

(Amount in INR)

Particulars	Note No.	As on 31st March 2016	As on 31st March 2015
I. INCOME			
(a) Revenue from operations	15	287,759,324	407,352,652
(b) Other income	16	8,102,786	7,885,413
Total		295,862,110	415,238,065
II. Expenses			
(a) Raw Material consumed	17	250,318,428	363,033,921
(b) (Increase)/Decrease in Inventories (WIP)	18	(5,541,067)	(4,356,390)
(c) Employee benefits expense	19	15,955,221	14,552,004
(d) Finance Cost	20	2,785,172	8,896,297
(e) Depreciation and Amortization expense	21	2,406,975	2,426,255
(f) Other expenses	22	31,057,935	30,311,092
Total		296,982,664	414,863,179
III. Profit before tax		(1,120,554)	374,886
IV. Tax expense:			
(a) Current tax		48,000	80,000
(b) Deferred tax		(75,571)	95,285
(C) Earlier Years		13110	
Add/(Less):Prior year income (net)		-	-
V. Net Profit after Tax		(1,106,093)	199,601
VI. Earnings per Equity Share:			
(a) Basic		(0.016)	0.003
(b) Diluted		(0.016)	0.003
Significant Accounting Policies and Notes to Financial Statements	23 to 45		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For S.K.Badjatya & Co

Chartered Accountants
(Firm Regn. No. 004017C)

CA. Sudhir K. Jain

Partner
Membership No.: 072282

Place : Mumbai
Date : 28th May, 2016

For and on behalf of Board of Directors

Mr.V.K.Kaushik
Wholetime Director
Din No : 02586479

Mr.Chirag Shah
Director
Din No : 06583820

Suruchi Pednekar
Company Secretary
Membership No. ACS 43002

Place: Mumbai
Date : 28th May, 2016



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CONSOLIDATED CASH FLOW STATEMENT AS ON 31.03.2016

(Amount in Lacs)

PARTICULARS	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
I CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extraordinary Items	(11.21)	3.75
Adjustment for :		
Depreciation	24.07	24.26
Depreciation Deletion	-	-
Interest	26.70	71.33
Rental Income	(10.08)	(9.60)
Gain on Sales of Fixed Assets	(0.20)	-
Loss on Sales of Fixed Assets	2.92	-
Dividend Income	-	-
Miscellaneous Expenses	-	-
Interest earned	(2.76)	(2.80)
VRS Expenses Amortised	-	-
GDR Expenses adjusted against Securities prem a/c	-	-
Loss/ expenses of previous year adjusted	40.64	0.01
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	29.44	86.94
Adjustment for :		
Trade and other Receivables including Loans & Advances	(83.81)	1,171.69
Unamortised Voluntary Retirement Scheme Expenses	-	-
Inventories	(136.09)	115.37
Trade Payables	356.89	(679.64)
CASH GENERATED FROM OPERATIONS	166.43	694.36
Taxes Paid	-	-
NET CASH FROM OPERATING ACTIVITIES	166.43	694.36
II CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Including Capital WIP)	(63.80)	(7.25)
Sales of Fixed Assets	18.52	-
Security deposit recd (lease agreement)	-	-
Rental Income	10.08	9.60
Dividend Income	-	-
FD Under Lien	-	-
Interest Received	2.76	2.80
NET CASH USED IN INVESTING ACTIVITIES	133.99	699.52
III CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital / GDR Issue (Including Share Premium Amount)	-	-
(Repayment) / increase in Long Term Borrowing	3.72	(1.25)
(Repayment) / increase in Short Term Borrowing	(87.63)	(509.23)
Investment in Subsidiary	-	-
Dividend Paid	-	-
Interest Paid	(26.70)	(71.33)
NET CASH USED IN FINANCING ACTIVITIES	23.39	117.72
IV NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		
ADD : Opening Balance as on 01.04.2016 (P.Y. As on 01.04.15)	204.65	86.93
Total Cash Flow	228.03	204.65
Closing Balance As on 31.03.2016 (P.Y.As on 31.03.2015)	227.42	204.64

Notes to the cash flow statement :

Cash and cash equivalent consist of cash on hand and balances with banks and investments in money market instruments.

	31.03.2016	31.03.2015
Cash on hand	9.92	11.58
Balances with banks	217.49	193.07
	227.42	204.64

For S.K.Badjatya & Co
Chartered Accountants
(Firm Regn. No. 004017C)

CA. Sudhir K. Jain
Partner
Membership No.: 072282

Place : Mumbai
Date : 28th May, 2016

For and on behalf of Board of Directors

Mr.V.K.Kaushik
Wholetime Director
Din No : 02586479

Mr.Chirag Shah
Director
Din No : 06583820

Suruchi Pednekar
Company Secretary
Membership No. ACS 43002

Place: Mumbai
Date : 28th May, 2016



Notes forming part of the financial statements

Note 1 SHARE CAPITAL

1.1 Particulars	As at 31 March 2016		As at 31 March 2015	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs 10/- each	125000000	1,250,000,000	125000000	1,250,000,000
Issued				
Equity Shares of Rs 10/- each	71046100	710,461,000	71046100	710,461,000
Subscribed & Paid up				
Equity Shares of Rs 10/- each fully paid	71046100	710,461,000	71046100	710,461,000
Total	71046100	710,461,000	71046100	710,461,000

1.2 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2016		As at 31 March 2015	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	71046100	710,461,000	71046100	710,461,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	71046100	710,461,000	71046100	710,461,000

1.3 Details of Shares held by the Holding Company, the ultimate Holding Company their subsidiaries and associates

Particulars	As at 31 March 2016		As at 31 March 2015	
	Number	Amount	Number	Amount
M/s Cheetah Multitrade Private Limited, Holding Company of Chromatic India Limited	20273305	202,733,050	20988305	209,883,050

1.4 Details of shares held by each shareholder holding more than 5 percent shares :

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	Shares held	% of Holding	Shares held	% of Holding
The Bank Of New York Mellon, DR	-	-	25096941	35.32%
M/s. Cheetah Multitrade Pvt. Ltd.	20273305	28.54%	20988305	29.54%



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Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Note-2 Reserves and surplus		
a. Capital reserve		
Opening balance	1,853,350	1,853,350
Add: Additions during the year (give details)	-	-
Less: Utilised / transferred during the year (give details)	-	-
Closing balance	1,853,350	1,853,350
b. Securities premium account		
Opening balance	1,985,812,100	1,985,812,100
Add : Premium on shares issued during the year	-	-
Less : Utilised during the year for:		
Issuing bonus shares	-	-
Closing balance	1,985,812,100	1,985,812,100
c. General reserve		
Opening balance	17,978,960	17,978,960
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year for:		
Issuing bonus shares	-	-
Others (give details)	-	-
Closing balance	17,978,960	17,978,960
d. Foreign currency translation reserve		
Opening balance	644,148,352	551,964,368
Add / (Less): Effect of foreign exchange rate variations during the year	134,831,376	92,183,984
Add / (Less): Transferred to Statement of Profit and Loss on disposal of the net investment in non-integral foreign operations	-	-
Closing balance	778,979,728	644,148,352
e. Statutory Reserves (subsidiary company)		
Opening Balance	693,450	693,450
Add: for the year	-	-
Closing Balance	693,450	693,450
f. Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	80,454,517	81,029,657
Add: Profit / (Loss) for the year	(1,106,093)	199,601
Add: Adjustment Relating to Fixed Assets*	-	(774,141)
TOTAL	79,348,423	80,455,117
Add/ (Less): Prior Period Expenses	(600)	
Profit after Tax and Prior Period Adjustments	79,348,423	80,454,517
Less: Provision for dividend (including Dividend Tax)	-	-
Closing balance	79,348,423	80,454,517
Total	2,864,666,012	2,730,940,731

* pursuant to provisions of Companies Act; 2013



CHROMATIC INDIA LTD

Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Note-3 Long-term borrowings		
a. Term loans		
From Banks		
Secured	-	-
Unsecured	-	-
Total	-	-
From other parties		
Secured*	587,471	215,063
Unsecured	-	-
Total	587,471	215,063
Total	587,471	215,063
* Secured by Hypothecation of underlying assets purchased.		
Note - 4 Short-term borrowings		
a. Loans repayable on demand		
From banks		
Secured#: 1. Cash Credit Limit from Bank of India	16,044,419	(7,827,954)
2. Export Packing Credit Limit from Bank of India	4,132,023	29,089,999
b. Unsecured	-	-
Total (a)	20,176,442	21,262,045
From other parties		
Secured @	15,785,672	21,485,672
Unsecured	19,930,427	21,930,427
Advances from Customer	397,916	375,472
Total (b)	36,114,015	43,791,571
Total	56,290,457	65,053,616
# Secured by exclusive charge on the underlying plant & machineries i.e. Hot Air Generator, Hypoyhecation of Stocks, Collateral Security of Equitable Mortgage of Land & Buildings situated at B-12/2, Lote Parshuram Indl. Area, Taluka-Khed, Distt. Ratnagiri and simple deposit of title deeds of office premises situated at Vikhroli, Mumbai.		
@ Secured by shares held by the Promoters		
Note-5 Trade payables		
Trade payables:		
Acceptances	-	-
Other than Acceptances	691,872,310	666,009,707
Total	691,872,310	666,009,707



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Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Note-6 Other current liabilities		
a. Current maturities of long-term debt (Refer Note (i) below)	-	-
b. Current maturities of finance lease obligations	381,573	124,670
c. Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	317,573	496,472
(ii) Others: Salary & Wages	779,610	605,140
(iii) Other Liabilities	12,929,518	3,977,164
(iv) Current Year Tax Provision	48,000	80,000
Total	14,456,274	5,283,446
Note (i): Current maturities of long-term debt (Refer Notes 3 - Long-term borrowings for details of security and guarantee):		
(a) Term loans		
From banks		
Secured#	-	-
Unsecured	-	-
	-	-
(b) From other parties		
Secured	381,573	124,670
Unsecured	-	-
	381,573	124,670
Total	381,573	124,670
# Secured by exclusive charge on the underlying plant & machineries i.e. Hot Air Generator, Hypoyhecation of Stocks, Collateral Security of Equitable Mortgage of Land & Buildings situated at B-12/2, Lote Parshuram Indl. Area, Taluka-Khed, Distt. Ratnagiri and simple deposit of title deeds of office premises situated at Vikhroli, Mumbai.		
Note-7 Short-term provisions		
Provision for employee benefits:		
i. Provision for bonus	403,200	397,600
ii. Provision for other employee benefits - Exgratia	172,800	167,700
iii. Provision for Gratuty employee benefits	643,010	-
Total	1,219,010	565,300



Note-8

Fixed Assets

	Particular	Gross Block					Accumulated Depreciation				Net Block	
		Balance as at 01.04.2015	Additions	Other Adjustments	Deductions	Balance as at 31.03.2016	Up to 31.03.2015	Depreciation charge for the year	On disposals	Balance as at 31.03.2016	Balance as at 31.03.2016	Balance as at 31.03.2015
a)	Tangible Assets											
	LAND - LEASE HOLD	11,702,920	-	-	-	11,702,920	858,612	156,712	-	1,015,324	10,687,596	10,844,308
	BLDG. & RESI.FLAT	30,648,278	-	-	-	30,648,278	16,811,015	994,127		17,805,142	12,843,136	13,837,263
	PLANT & MACHINERY	54,872,325	3,002,554	-	2,269,128	55,605,751	46,177,421	640,742	961,242	45,856,921	9,748,830	8,694,904
	OFFICE & OTHERS EQUIP.	5,809,842	335,297	-	-	6,145,139	5,511,090	151,808	-	5,662,898	482,241	298,752
	FURNITURE & FIXTURE	2,781,217	-	-	-	2,781,217	2,775,978	866		2,776,844	4,373	5,239
	VEHICLES	4,752,142	3,042,435	-	1,646,048	6,148,529	3,250,532	462,720	829,971	2,883,281	3,265,248	1,501,610
	TOTAL	110,566,724	6,380,286	-	3,915,176	113,031,834	75,384,648	2,406,975	1,791,213	76,000,410	37,031,424	35,182,074
b)	Intangible Assets											
	CAPITAL W.I.P.	1,057,200,000	-		-	1,057,200,000	-			-	1,057,200,000	1,057,200,000
	TOTAL (A+B)	1,167,766,724	6,380,286	-	3,915,176	1,170,231,834	75,384,648	2,406,975	1,791,213	76,000,410	1,094,231,424	1,094,857,472
	Previous Year	1,167,237,014	578,851	-	-	1,167,815,865	69,334,571	3,623,822	-	72,958,393	1,094,857,472	1,097,902,443

NOTES:

- 8.1 Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortisation and Depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted net of tax, in the opening balance of Profit and Loss Account amounting to Rs 7.74 lacs.
- 8.2 In the absence of complete details of additions in the case of buildings, revised estimated remaining life has been considered as certified by the management. The WDV as on 31.03.2014 has been depreciated in the remaining estimated life of the asset as such. In the case of Factory Building remaining life has been estimated at 10 years and in case of office and store building, the life has been estimated at 35 years.
- 8.3 Leased hold land has been depreciated over the lease period as per the policy of the company.



Note - 9 Non-Current Investment

Details of Non-Current Investment

Name of the Body	Corporate Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)	
		2016	2015			2016	2015	2016	2015
Investment in Equity Instruments									
Long Term, Non - Trade Equity shares of Bank of India of Rs. 10 each at a premium of Rs. 35/- each	Others	800	800	Quoted	Fully paid	-	-	36,000	36,000
Total								36,000	36,000

Particulars	As at	
	31st March, 2016	31st March, 2015
	₹	₹
Note-10 Long-term loans and advances		
a. Security deposits		
Secured, considered good	-	-
Unsecured, considered good	1,353,114	1,274,181
Doubtful	-	-
Sub-Total	1,353,114	1,274,181
Less: Provision for doubtful deposits	-	-
Sub-Total (a)	1,353,114	1,274,181
b. Loans and advances to related parties		
Secured, considered good	-	-
Unsecured, considered good:		
-Arcoiris SA	13,603,915	13,603,915
-Chromatic International FZE	2,379,905,128	2,250,332,515
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
Sub-Total (b)	2,393,509,043	2,263,936,430
c. Advance income tax (net of provisions) - Unsecured, considered good	2,989,698	2,911,335
Sub-Total (c)	2,989,698	2,911,335
d. Other loans and advances (consolidation)	97,281,304	91,984,880
Secured, considered good		
Unsecured, considered good		
Doubtful		
Sub-Total (d)	97,281,304	91,984,880
Total(a+b+c+d)	2,495,133,159	2,360,106,825



CHROMATIC INDIA LTD

Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Note-11 Inventories		
(At lower of cost and net realisable value)		
a. Raw materials (including Goods in transit)	54,244,996	46,177,040
b. Finished Goods	-	-
c. Work-in-progress	20,660,932	15,119,865
	-	-
Total	74,905,928	61,296,905
Note-12 Trade receivables		
a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	427,259,495	426,680,662
Doubtful	-	-
Sub-Total	427,259,495	426,680,662
Less: Provision for doubtful trade receivables	-	-
Total	427,259,495	426,680,662
b. Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	126,503,872	120,630,710
Doubtful	-	-
Sub-Total	126,503,872	120,630,710
Less: Provision for doubtful trade receivables	382,263	382,263
Total	126,121,609	120,248,448
Total	553,381,104	546,929,110
Note-13 Cash and cash equivalents		
a. Cash on hand	992,201	1,157,543
b. Cheques, drafts on hand	-	-
c. Balances with banks		
(i) In current accounts	18,526,901	16,399,356
(ii) In EEFC accounts	-	-
(iii) In deposit accounts	74,603	69,089
(iv) In earmarked accounts		
- Unpaid dividend accounts	1,769	1,769
- Unpaid matured deposits	-	-
- Unpaid matured debentures	-	-
- Share application money received for allotment of securities and due for refund	-	-
- Balances held as margin money or security against borrowings, guarantees and other commitments (Refer Note (i) below)	3,145,520	2,835,685
- Other earmarked accounts (Gratuity Account)	638	638
Total	22,741,632	20,464,080



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Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Note-14 Short-term loans and advances		
a. Loans and advances to employees		
Secured, considered good	-	-
Unsecured, considered good	1,152,950	818,181
Doubtful	-	-
Sub Total	1,152,950	818,181
Less: Provision for doubtful loans and advances	-	-
Total (a)	1,152,950	818,181
b. Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	72,577	84,871
Total (b)	72,577	84,871
c. Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	-	-
(ii) VAT credit receivable	16,063,603	19,138,417
(iii) Service Tax credit receivable	273,868	265,577
(iv) Export Incentive Receivable	22,440,622	13,875,155
(v) Balance with Central Excise	11,535,535	14,855,210
Total (c)	50,313,628	48,134,359
d. Others (Advances Recoverable)		
Secured, considered good	-	-
Unsecured, considered good	51,580,352	52,348,248
Doubtful	-	-
Sub-Total	51,580,352	52,348,248
Less: Provision for other doubtful loans and advances	-	-
Total (d)	51,580,352	52,348,248
Total	103,119,507	101,385,659



CHROMATIC INDIA LTD

Particulars	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
15. Revenue from Operations		
Sale of products	272,830,291	313,336,362
Sales of traded goods	14,929,033	94,016,290
Total	287,759,324	407,352,652
16. Other Income		
Interest Received	275,682	279,930
Dividend-others from Long Term Investments	4,000	-
Rent Recd	1,008,000	960,000
Conversion Charges	1,368,944	1,319,906
Duty Drawback	5,153,633	5,081,390
Misc & other income	292,527	244,187
Total	8,102,786	7,885,413
17. Purchase & Direct Expenses		
Raw Material consumed		
Opg Stock of Raw Material	46,177,040	62,070,822
Raw Material Purchase	247,816,057	335,154,252
Packing Material	4,555,223	2,625,292
Freight Inward	6,015,104	9,360,594
Less:-Closing stock	(54,244,996)	(46,177,040)
Purchase of Traded goods	-	-
Total	250,318,428	363,033,921
18. (Increase)/Decrease in Inventories		
Inventory at the beginning of the year Finished & Work in Progress		
Finished Goods	-	-
Work in Progress	15,119,865	10,763,475
TOTAL	15,119,865	10,763,475
Inventory at the end of the year		
Finished Goods	-	-
Work in Progress	20,660,932	15,119,865
TOTAL	20,660,932	15,119,865
(Increase) in Inventories	(5,541,067)	(4,356,390)
19. Employee Benefit Expenses		
Salary, Wages and Bonus Etc.	13,406,318	12,399,107
Company's Contribution to Provident Fund, ESIC & Gratuity	1,704,493	1,384,552
Staff welfare Expenses & other Amenities	844,410	768,345
Leave Encashment	-	-
Total	15,955,221	14,552,004



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Particulars	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
20. Finance Cost		
Interest expense		
Bank Interest	1,956,670	3,637,290
Other Interest	115,611	3,496,169
Bank Charges	712,891	1,762,838
Total	2,785,172	8,896,297
21. Depreciation and Amortization Expenses		
Depreciation on tangible assets	2,406,975	2,426,255
Total	2,406,975	2,426,255
22. Other Expenses		
Rates & Taxes	425,813	1,020,499
Power & Water	4,504,296	4,516,046
Stores & Spares	1,990,555	1,083,331
Repairs and Maintenance :	-	-
- Repairs to Building	1,331,722	319,095
- Repairs to Machinery	616,961	391,377
- Repairs to Others	137,997	124,030
Advertisement & Sales Promotion	174,369	125,820
Freight & Forwarding Charges	4,194,442	5,941,611
Travelling Expenses	353,629	370,627
Auditor's Remuneration (Refer Note No.21)	481,015	511,606
Insurance	157,748	174,024
Telephone Charges	274,182	232,832
Car Expenses	905,362	730,632
Labour Charges	3,834,487	3,170,856
General Expenses	3,022,483	2,410,864
Annual Listing Exps	442,733	675,026
Professional Charges	1,623,792	1,117,698
Printing & Stationery	304,835	223,671
Balance Written Off	1,577,782	5,948,998
Foreign Exchange Loss	4,703,731	1,222,449
Total	31,057,935	30,311,092
*Payment to Auditors		
a) As Auditors		
Statutory Audit fee	201,450	
Tax Audit Fees	50,000	251,450
Other services (certification fees)		90,000
Reimbursement of expenses		139,565
Total	481,015	480,206

**Notes forming part of the consolidated financial statements****Note-23 Company Overview**

The Company currently in the business of manufacturing, trading and export of Synthetic Organic Dyestuff and dyes intermediates. The Company concentrates on the Reactive Dyestuff mainly Vinyl Sulfone type, bi-functional, multi-functional and high exhaustion and the latest dyestuff to make liquid dyestuff. All the products are appreciated all over the world. At present, the Company is manufacturing only Reactive Dyes based on Vinyl Sulphone & Cyanuric Chloride. In future, the Company is planning to manufacture Disperse & Vat Dyes. The Company has also started trading activities in chemicals and building material and also has taken Power Trading licence from Govt. of India.

Note-24 Significant Accounting Policies**24.1 Basis of Preparation of Financial Statements**

- a) These financial statements have been prepared in compliance with the Generally Accepted Accounting Principles applicable in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.
- b) The financial statements have been prepared under historical cost convention, on an accrual basis. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lacs.

24.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

24.3 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty, Sales Tax and VAT are deducted from turnover (gross).

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognised even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet.

Rentals

Revenue is recognised on accrual & time proportion basis.

24.4 Accounting for Export Incentive:

Export incentive are recognised on exports on accrual basis, and based on the estimated realizable value of such entitlements.

24.5 Fixed Assets

Fixed Assets are stated at cost (net of Cenvat Credit) of acquisition/construction and includes amounts added on revaluation, less accumulated depreciation and impairment loss. Cost includes purchase price, borrowing costs and any direct expenses as well as clearly identifiable indirect expenses incurred to bring the assets to their working condition for its intended use.

24.6 Depreciation and Amortisation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on 'Straight Line Method' as on 31.03.2014 on the remaining useful life of the Assets in the manner and at the rates specified in Schedule II of the Companies Act, 2013 except in the case of buildings where WDV as on 31.03.2014 has been depreciated in the remaining estimated life of the asset (as certified by the management in the absence of complete details of additions), which is different than those prescribed in schedule-II. Assets acquired under finance lease are depreciated over the period of lease. Leasehold land & premium thereon are depreciated over the period of lease. Also individual capital items of upto a value of Rs.5,000/- have been fully depreciated.

24.7 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its



recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

24.8 Leased Assets

Finance leases, which effectively transfer to the Company, all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised. If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

24.9 Foreign Currency Transactions**i) Initial Recognition:**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences:

Exchange differences arising on a monetary item that, in substance, form part of the company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expenses.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

iv) Forward Exchange Contracts not intended for trading or speculation purposes:

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or as expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

24.10 Investment

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investment.

24.11 Inventories

Inventories are valued as follows:

Raw materials, packing material, Work in progress, components, stores and spares:

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First in First out basis (FIFO).

Finished goods:

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the product saleable.

24.12 Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income tax reflects the



impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

24.13 Employee Benefits

Retirement benefits in the form of Provident Fund and Government administered Employees Insurance and Pension Plans are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is a defined benefit obligations and are provided for on the basis of an actuarial valuation. The Company makes annual contributions to the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The Scheme provides for lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The Company has a scheme for compensated absences for employees, the liability of which is recognized on actual basis instead of accrual basis and charged to Profit and Loss Account in the year of payment.

Expenditure on Voluntary Retirement Scheme are amortised over the period of two years.

24.14 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

24.15 Earnings Per Share

Basic earnings per shares is computed and disclosed using the weighted average number of common shares outstanding during the year. Diluted earnings per share is computed and disclosed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except when the results would be anti-dilutive.

24.16 Provision

A provision is recognized when an enterprise has a present obligation as a result of past event; 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 are not discounted to its present value and are determined based on 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.

24.17 Cash and Cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



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Notes forming part of the consolidated financial statements

OTHER NOTES TO ACCOUNTS

- 25 Contingent liabilities not provided for:
- | | As at 31-03-16
(Rs. In Lacs) | As at 31-03-15
(Rs. In Lacs) |
|--|---------------------------------|---------------------------------|
| Income Tax Demand for which company has gone into appeal | 2914.00 | 0 |
| Bank Guarantees (secured by fixed deposit receipts) | 5.26 | 3.89 |
- 26 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.
- The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.
- 27 In the opinion of the Board, current assets, loans and advances shall have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known liabilities have been made and contingent liabilities disclosed properly. Balances of sundry debtors, sundry creditors, loans and advances and other personal accounts are subject to confirmation and reconciliation. Consequential impact, if any, will be considered as and when determined.
- 28 The Company had made investments in erstwhile subsidiary namely Arcoiris SA with a view to have establishment abroad to penetrate into foreign market. Net worth of Arcoiris SA is fully eroded and the company has been liquidated during the year 2011-12. However, no provision is made for investment made by the company in Arcoiris S.A. amounting to Rs.26.23 lacs and advances and interest receivable amounting to Rs. 109.81 lacs, which are doubtful of recovery. The amount has been shown as Long Term Loans & Advances.
- 29 The company has made Advances for capital work in progress amounting to Rs. 105.72 Crores during previous accounting years for setting up of power plant. The procurement has not been done for pending clearances from the Govt. the company had also made advances of Rs.247.72 Crores for project activities through its' subsidiary namely Chromatic International FZE. These advances are subject to confirmation and reconciliation.
- 30 No events or transactions have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statements at the date or for the period then ended, other than those reflected or fully disclosed in the books of account.
- 31 Net amount of exchange differences
- | | As at 31-03-16
(Rupees) | As at 31-03-15
(Rupees) |
|---|----------------------------|----------------------------|
| The net amount of exchange differences debited / (credited) 'to profit & loss account | 4,703,731 | 1,222,449 |
- 32 During the year under review, the Company has initiated process of closure of its Indian unlisted subsidiary company, i.e., Chromatic Ferro Alloys Limited, as the company is non operational. The projects / plans of the Company could not be implemented due to operational difficulties. The respective investments in and loan given to these subsidiary companies have not been written off in the books of the Company. The same shall be adjusted / accounted for / written off in the year in which certificate of closure is received from the Registrar of Companies, Mumbai. In view of this the Company's consolidated results consists of Chromatic Ferro Alloys Limited and Chromatic International FZE - 100% non-integral foreign subsidiary together comprise "Group".
- 33 Provision for Gratuity payable to employees has been covered by the Group Gratuity Policy taken by the company with LIC of India and premium of the policy has been duly accounted for as advised by LIC of India as per communication dated 25.05.2016 on estimated basis. However, no provision has been made for leave encashment as required by AS-15 (Revised 2005) employee Benefits notified by Companies (Accounting Standard) Rules 2006 and the same shall be accounted for as and when paid.

A. Defined Contribution Plans - Employers contribution to Provident Fund :

During the year the company has recognized the following amounts in the statement of Profit & Loss

Employers Contribution to Provident fund	2015-16	2014-15
	905,490.00	740,225.00



B. State Plans - Employers contribution to Employee State Insurance:

During the year the company has recognized the following amounts in the Statement of Profit & Loss

Employers Contributions to Employee State Insurance	2015-16	2014-15
	4,052.00	8,396.00

Present value of gratuity obligation based on actuarial valuation using the projected unit credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to built up the final obligation

I. Change in present value of obligations:	Gratuity 2015-16 (Estimated) *	Gratuity 2014-15
Present value of obligation at the beginning	4,208,336.00	3,789,133.00
Current service costs	615,000.00	195,309.00
Benefits paid	-	-
Acturial (Gain)/Loss on obligation	-	223,894.00
Present value of obligation at the end	4,823,336.00	4,208,336.00
II. Amount to be recognized in the Balance Sheet:	2015-16 (Estimated) *	2014-15
Present value of obligation at the end of the current year	4,823,336.00	4,208,336.00
Fair value of plan assets at the end of the I.V.P	-	-
Funded status	4,208,336.00	4,208,336.00
Unrecongized Actuarial (Gain)/Loss at the end	-	-
Net Assets/ (Liability) Recognized in the Balance Sheet	615,000.00	-
III. Expenses recognized in the Statement of Profit & Loss:	2015-16 (Estimated) *	2014-15
Current service cost	615,000.00	195,309.00
Net Actuarial (Gain)/Loss recognized in the I.V.P	-	325,258.00
Expenses recognized in the Statement of Profit & Loss	28,310.00	15,275.00
IV. Actuarial Assumptions:	LIC 1994-96 (Ultimate) 2015-16 (Estimated) *	LIC 1994-96 (Ultimate) 2014-15
Discounting Rate	8.00%	8.00%
Salary Rise	5.00%	5.00%
Withdrawl Rate	1% - 3%	1% - 3%
Average Past Service	20	18.70

* The Life Insurance Corporation of India did not provide the detailed working of Gratuity Premium & other details for the Financial Year 2015-2016 due to switch over to New GGCA Plan being under implementation and advised to take a provision of 20% excess of the premium provided in previous year ended 31.03.2015 as per their communication dated 25/05/2016. Hence current year figures have been considered on estimated basis.



34 Segment reporting

The Company operates in one business segment, namely manufacturing & trading of S.O.Dyes & Chemicals and geographic segments i.e. the Domestic and the Overseas. They are summarised as follows. :

Particulars	Domestic	Overseas	Total
Sales	14,929,033 (94,016,290)	272,830,291 (313,336,362)	287,759,324 (407,352,652)
Total Sales	14,929,033 (94,016,290)	272,830,291 (313,336,362)	287,759,324 (407,352,652)

Figures in bracket represent previous year figures.

The following table shows the distribution of sales in India and outside India

Name of the country	2015-16 (Rupees)	2014-15 (Rupees)
India	14,929,033	94,016,290
Switzerland	172,110,224	193,772,747
Austria	10,627,985	19,217,770
Italy	339,532	4,018,223
Singapore	83,570,470	96,327,623
Hungary	6,182,080	
Total	287,759,324	407,352,652

Disclosure of Segment-wise Liabilities and Profitability has not been possible, as the company has only one manufacturing plant and a unified marketing and administrative set-up.

Segment assets	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
Export Debtors	119,411,792	48,201,186
Total	119,411,792	48,201,186

35 Related Party Disclosures

As per the Accounting Standard 18, disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of related parties and relationships:

Name of the Related Party	Nature of Relationship
(a) Cheetah Multitrade Pvt. Ltd.	Holding Company
(b) Arcoiris SA	erstwhile 100% Subsidiary
(c) Chromatic International FZE	100% Subsidiary
(d) Chromatic Ferro Alloys Ltd	100% Subsidiary
(e) Mr.V.K.Kaushik	Key Managerial Personnel
(f) Mr.Ajay Sethi	Key Managerial Personnel
(g) Mr. Chirag Shah	Key Managerial Personnel
(h) Ms. Diana Mahesh Joshi	Key Managerial Personnel
(i) Ms Bhoomika Jain (Resigned effective from 01.03.2016)	Company Secretary

(ii) (Entities in which any director or his relative is a partner , director or member)

(a) Healthy Choice Agro India Limited	Company
(b) Chromatic Sponge Iron Limited	Company
(c) Chromatic Ferro Alloys Ltd.	Company
(d) Inshape Lifestyle Centre	Proprietorship



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(iii) Remuneration to Whole Time Directors: (Includes benefits which are debited to respective expenses)	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
a Remuneration	1,056,000	918,000
b Provident Fund Contribution	126,720	110,160
c Other Perquisites (LTA & Medical Allowance)	132,926	15,000
Total	1,315,646	1,043,160
(iv) Transactions during the year with related parties (excluding reimbursements)	2015-16 (Rupees)	2014-15 (Rupees)
With Holding Company: Cheetah Multitrade Pvt. Ltd.		
Unsecured loan taken	-	3,295,938
With Arcoiris SA		
Sales	-	-
Interest income	-	-
With Key Managerial Personnel :		
Mr.V.K.Kaushik-Remuneration	1,315,646	1,043,160
Mr.Ajay Sethi - Director Sitting Fees	7,000	6,500
Mr. Chirag Shah - Director Sitting Fees	7,000	6,500
Ms. Diana Mahesh Joshi - Director Sitting Fees	7,000	-
Ms. Bhoomika Jain - Remuneration	173,975	-
Closing balance as on 31st March:		
With Holding Company: Cheetah Multitrade Pvt. Ltd.		
Unsecured loan taken	8,182,402	8,182,402
With Arcoiris SA		
Unsecured loan given (including interest and exchange rate difference)	13,603,915	13,603,915

36 Calculation of Earning Per Shares

(i) Basic EPS	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
Net Profit / (Loss) after tax available for equity shareholders (Rupees) used as numerator	(1,106,093)	199,601
Weighted average no. of Equity Shares used as denominator	71,046,100	71,046,100
Basic Earning Per Share (In Rupees)	(0.016)	0.003
(ii) Diluted EPS	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
Net Profit / (Loss) after tax available for equity shareholders (Rupees) used as numerator	(1,106,093)	199,601
Weighted average no. of Equity Shares used as denominator	71,046,100	71,046,100
Diluted Earning Per Share (In Rupees)	(0.016)	0.003



37 Deferred Tax

Particulars	Opening Balance as at 01.04.2015	During the year 2015-16	Closing Balance as at 31.03.2016
Deferred Tax Assets			
Ex-Gratia	51,819	1,576	53,395
Bonus	122,858	1,731	124,589
Gratuity	-	198,690	198,690
VRS	-	-	-
	174,677	201,997	376,674
Deferred Tax Liability			
Depreciation	4,246,468	126,426	4,372,894
Net Deferred Tax Liability	4,071,791	(75,571)	3,996,220

38	Earnings in foreign currency	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
	F.O.B. Value of Exports (on accrual basis)	272,830,291	313,336,362

39	Value of import on CIF basis	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
	Raw Materials & Packing Material Purchased	41,775,907	167,473,054
	Stores and Spares Purchased	17,344	-

40	Expenditure in foreign currency	As at 31-03-16 (Rupees)	As at 31-03-15 (Rupees)
	Travelling Expenses	-	244,245

41 Particulars of unhedged foreign currency exposure as at balance sheet date

Particulars	Currency	As at 31-03-16		As at 31-03-15	
		USD	Rupees	USD/EURO	Rupees
Debtors (net of advances)	USD	1,758,010.00	116,613,902	764,110.98	47,826,318
	EURO	37,258.00	2,797,879	-	-

42 Pursuant to Accounting Standard (AS)-28 on "Impairment of Asset" issued by The Institute of Chartered Accountants of India, the company assessed its fixed assets for impairment as at 31st March 2016, and concluded that there have been no significant impaired fixed assets that need to be recognized in the books of accounts.

43 Additional quantitative information

A	Details of licensed and installed capacity and actual production	As at 31-03-16 in KG	As at 31-03-15 in KG
	Licensed capacity	1,200,000	1,200,000
	Installed capacity	1,200,000	1,200,000
	Actual production	735,616	915,683

B Details of finished goods / WIP as on 31-03-16 All Quantities are in KG

Particulars	Opening Stock		Production Turnover			Closing Stock	
	Quantity	Value (Rs.)	Quantity	Quantity	Value (Rs.)	Quantity	Value (Rs.)
S.O. Dyestuffs (Reactive dyes)	58,057	15,119,865	735,616	743,925	286,839,036	49,748	20,660,932
Total	58,057	15,119,865	735,616	743,925	286,839,036	49,748	20,660,932
Previous Year	(31,890)	(10,763,475)	(892,123)	(865,956)	(407,352,652)	(58,057)	(15,119,865)

Figures in bracket represent previous year figures.



CHROMATIC INDIA LTD

C Raw material consumed/ sales

Particulars	For the year ended 31-03-16		For the year ended 31-03-15	
	Quantity	Value (Rs.)	Quantity	Value (Rs.)
H. Acid	34689	21,118,201	133608	111,139,734
J. Acid	12457	6,399,111	12440	9,202,001
Vinyl Sulphone	14382	10,790,898	118252	33,691,956
F.Oil	31645	456,564	29575	820,787
Coal	773802	5,957,087	-	-
Other raw materials		205,596,567	-	208,179,443
		250,318,428		363,033,921

D Raw material & stores & spares imported/ indigenous:

Particulars	For the year ended 31.03.2016		For the year ended 31.03.2015	
	Value (Rs.)	%	Value (Rs.)	%
A) Raw Material & Packing Material				
Imported	41,775,907	16.55	167,473,054	46.13
Indigenous	210,595,374	83.45	195,560,867	53.87
	250,318,428	100.00	363,033,921	100.00
B) Stores & Spares				
Imported	17,344	0.87	-	0.00
Indigenous	1,973,211	99.13	1,083,331	100.00
	1,990,555	100.00	1,083,331	100.00

- 44 The company has entered into, out of court settlement with M/s Easy Access Financial Services Ltd at a lumpsum amount of Rs 145.00 Lacs payable in five installments. The company has paid two installments in the year and delayed other installments. Being one time settlement, no interest has been provided during the year.
- 45 Previous year figures have been regrouped, rearranged, reclassified and reworked wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For and on behalf of Board of Directors

As per our report of even date attached

For S.K.Badjatya & Co.

Chartered Accountants
(Firm Regn. No. 004017C)

Mr.V.K.Kaushik
Wholetime Director
Din No : 02586479

Mr.Chirag Shah
Director
Din No : 06583820

CA. Sudhir K. Jain

Partner
Membership No.: 072282

Place : Mumbai
Date : 28th May, 2016

Suruchi Pednekar
Company Secretary
Membership No. ACS 43002

Place: Mumbai
Date : 28th May, 2016



29TH ANNUAL REPORT 2015-16

CHROMATIC INDIA LTD.

Registered Office: 207, Vardhaman Complex Premises Co. op. Society Ltd., L.B.S. Marg, Vikhroli (West), Mumbai – 400083
CIN: L99999MH1987PLC044447 Phone No. 022 61369800 Fax 022 25793973 Email ID: chromatic@mtnl.net.in
Website www.chromatic.in

ATTENDANCE SLIP

29th Annual General Meeting at 11.00 A.M. on August 11, 2016

Full name of Member (IN BLOCK LETTERS) _____

Reg. Folio No./ Demat ID _____

No. of shares held _____

Full name of Proxy / Authorized representative (IN BLOCK LETTERS) _____

I hereby record my presence at the 29th Annual General Meeting of the Chromatic India Limited at the Registered Office of the Company on Thursday, 11th day of August, 2016 at 11.00 a.m

Member's or Proxy's Signature

Note:

1. Shareholder / Proxy must bring the Admission Slip, duly signed, to the Meeting and hand it over at the entrance of the meeting hall.

**CHROMATIC INDIA LTD****CHROMATIC INDIA LIMITED**

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 Website: www.chromatic.in

Form MGT -11
PROXY FORM

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

29th Annual General Meeting – 11.08.2016

Name of the Member (s)		
Registered Address		
Registered Folio No. :	DP ID	
No. of Shares held:	Client ID:	
Email ID		

I/We, being the Member (s) ofshares of the above named Company, hereby appoint

1. Name
 Address.....
 Email :.....
 Signatureor failing him/her

2. Name
 Address.....
 Email
 Signature or failing him/her

3. Name
 Address.....
 Email
 Signature

As my / our proxy to attend and Vote, in case of a poll, for me/ us and on my/our behalf at the Twenty Ninth (29th) Annual General Meeting of the Company to be held on Thursday, the 11th day of August, 2016 at 11.00 a.m. at the Registered Office of the Company, 207, Vardhaman Complex Premises Co. op. Society Ltd., L.B.S. Marg, Vikhroli (West), Mumbai – 400083 and at any adjournment thereof in respect of such Resolutions as are indicated below :

Resolution Number	Resolution	For	Against
Ordinary Business			
1	Adoption of Balance Sheet, Statement of Profit & Loss, Report of the Board of Directors and Auditors for the financial year ended March 31, 2016		
2.	Appoint a Director in place of Mr. Vinod Kumar Kaushik, who retires by rotation and, being eligible, offers himself for reappointment.		
3.	Appoint M/s. S.K. Badjatya & Co. Chartered Accountants, as Statutory Auditors of the Company.		
Special Business			
4.	Determination of fees under section 20 of the Companies Act 2013		

Signed this.....day of.....2016



Signature of shareholder:.....

Signature of Proxy Holder(s):

Note:

- The form of proxy in order to be effective should be duly completed and deposited in the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- The Proxy need not be a member of the company.

BOOK - POST

To

If undelivered, please return to :

Chromatic India Limited

207, Vardhaman Complex Premises Co-op Soc Ltd,
L. B. S. Marg, Vikhroli (W),
Mumbai – 400083