

LIME CHEMICALS LIMITED

46TH ANNUAL REPORT

2015-2016

BOARD OF DIRECTORS

Mr. M. M. Gadgil - Chairman
Mr. A. H. Dawoodani - Managing Director
Mr. K. S. Varadhan
Mrs. S. A. Dawoodani
Mr. Sadruddin Jiwani
Dr. Akbar Virani

REGISTERED OFFICE

Light House Building, Ground Floor,
Sitaphalwadi, Mazgaon,
Mumbai – 400 010

CORPORATE OFFICE

404/405, Neco Chambers, 4th Floor
Plot No.48, Sector-11
Rajiv Gandhi Road,
C.B.D. Belapur (East), Navi Mumbai – 400 614

AUDITORS

M/s. A.N. DAMANIA & CO.
Chartered Accountants, Mumbai

BANKERS

Bank of Baroda
Axis Bank Ltd.
Kotak Mahindra Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd.
E-2, Ansa Industrial Estate
Sakivihar Road, Saki Naka
Andheri East, Mumbai – 400 072

FACTORIES

Plot No. 43, Roha Industrial Area
Village Dhatav, Roha, Raigad (M.S)

31-32-33 & 34 Industrial Area
Paonta Sahib – 173 023 (H.P)

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken the “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice / document including annual report can be sent by e-mail to its members. To support this green initiative of the Government in full measures, members who have so far not registered their e-mail addresses are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send the e-mail address to the Registrar & Transfer Agents quoting their folio number.

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NOTICE

NOTICE IS HEREBY GIVEN THAT the Forty Sixth Annual General Meeting of the Members of Lime Chemicals Limited will be held at Husami Hall, 119/127, Dr. Mascarenhas Road, Unit No.3, 1st Floor, Opp: Development Credit Bank Ltd., Anjir Wadi, Mazgaon, Mumbai – 400 010 on Friday, the 30th September, 2016 at 10.30 a.m. to transact the following business.

ORDINARY BUSINESS

1. To receive and adopt the Profit and Loss Account for the year ended on 31st March, 2016 and the Balance Sheet as on that date and the reports of Auditors and Directors thereof
2. To appoint a Director in place of Mrs. S. A. Dawoodani (DIN 02324234), who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.
3. To appoint a Director in place of Mr. SadruddinJiwani (DIN 05002145), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
4. To appoint M/s. A.N. Damania & Co., Chartered Accountants as statutory auditors of the Company and fix their remuneration

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Ahmed H. Dawoodani (DIN 00934276) as Managing Director of the Company for a further period of three years with effect from 1st August, 2016 on the terms and conditions including remuneration as set out in the explanatory statement of the Notice, which is hereby specifically sanctioned with a liberty to the Directors to alter and vary the terms and conditions of the said appointment and/ or agreement so as not to exceed the limits of remuneration, if any specified in Schedule V to the Companies Act, 2013 or any amendments thereto as may be agreed to between the Directors and Mr. Ahmed H. Dawoodani.

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure, the Company has no profits or inadequate profits, Managing Director shall be paid the minimum remuneration as may be determined by the Nomination and Remuneration Committee which shall also have the authority to decide on the quantum, composition and periodicity of payment of such minimum remuneration subject however that such minimum remuneration shall not exceed the limit prescribed under Section II, Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT in case Managing Director draws remuneration as a managerial person from another Company, the total remuneration payable by both the Companies shall not exceed the higher maximum limit permissible for any one of the Companies.”

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

“RESOLVED THAT in supersession of any earlier resolutions and in terms of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, read with the relevant Rules thereof (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company including any Committee thereof (hereinafter referred to as “the Board”) to borrow from time to time in one or more tranches, any sum or sums of money which, together with the moneys already borrowed by the Company (apart from temporary loans obtained / to be obtained from the Bankers of the Company in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed shall not at any time exceed Rs. 75 Crores (Rupees Seventy Five Crores only) over and above the paid up capital of the Company and its free reserves.

RESOLVED FURTHER THAT the Board be and is hereby authorized to negotiate with the lending entities and to finalize and execute the documents and deeds as may be applicable for creating the appropriate mortgages and/or charges on such of the immoveable and/or moveable properties of the Company on such terms and conditions as may be decided by the Board and to perform all such acts, deeds and things as may be necessary in this regard.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

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

“RESOLVED THAT in terms of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, read with the relevant Rules thereof (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors including any Committee thereof (hereinafter referred to as “the Board”) to sell, lease, mortgage or otherwise dispose of or to create charge, mortgage and/or hypothecate the whole or substantially the whole of the undertaking(s) of the Company, where undertaking (both present and future) shall have the meaning as stated in explanation to Clause (a) of Sub-Section (1) of Section 180 of the Companies Act, 2013, at such time and on such terms and conditions as the Board may deem fit, in the best interest of the affairs of the Company, provided that the total amount for which such charge / mortgage / hypothecations are being created to secure the borrowings shall not at any time exceed Rs.75 Crores (Rupees Seventy Five Crores only) over and above the paid up capital of the Company and its free reserves.

RESOLVED FURTHER THAT in connection with afore-stated Resolution, the Board shall have the power to mortgage or otherwise offer as collateral, substantial property, assets and/or undertakings of the Company in certain events, to banks/financial institutions, other lending agencies, and/or trustees for the holders of debentures/bonds/other instruments, to secure any rupee loans, foreign currency loans and/or the issue of debentures whether partly or fully convertible or non-convertible and/or securities linked to equity shares and/or rupee / foreign currency convertible bonds and/or bonds with share warrants attached thereto.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

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

“RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of SEBI Listing Regulations, consent of the members of the Company be and is hereby accorded for entering into the following proposed Related Party Transactions with respect to sale, purchase, borrowing, salary, rent and rendering of services by the Company with effect from 1st April 2016 and every year thereafter, up to the maximum per annum amounts as appended in table below:

S.No.	Name of Related Party	Relationship	Maximum value of Transaction per annum
1	Himachal Polyolefins Limited	Associate Company	Cumulatively all the transactions not to exceed Rs. 40 crore in a accounting year.
2	SilvoLiacal Chemicals Limited	Associate Company	
3	Mr. Ahmed H Dawoodani	Managing Director and Promoter	
4	Mrs. Shahnaz A Dawoodani	Executive Director and Promoter Group	
5	Diamond Jubilee Stores	Associate	

* Expected maximum annual value of transaction over the next three to four years

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

IMPORTANT NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument of Proxy should be deposited at the registered office of the Company not less than 48 hours before commencement of meeting.

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3. 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 the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Registrar and Transfer Agents of the Company.
4. Details of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice and given in Annexure "A" to this notice.
5. Electronic copy of the Notice of the 46th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 46th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
6. Members may also note that the Notice of the 46th Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website www.limechem.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Corporate Office at Navi Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: info@limechem.com

7. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 46th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The instructions for members for voting electronically are as under:-

- i. If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
- ii. Log on to the e-voting website www.evotingindia.com.
- iii. Click on "Shareholders" tab to cast your votes.
- iv. Select the Electronic Voting Sequence Number ("EVSN") 160817008 along with "Lime Chemicals Limited" from the drop down menu and click on Submit.
- v. Now, fill up the following details in the appropriate boxes:

	For members holding shares in demat form	For members holding shares in physical form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. # Any one	

After entering these details appropriately, click on "SUBMIT" tab

- vi. Members holding shares in physical form will then reach directly to the voting screen. However, members holding shares in demat form will now reach 'Password Change' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & *). 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

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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. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.

- vii. You can also update your mobile number and e-mail ID in your demat account, which may be used for sending communication(s) regarding CDSL e-voting system in future. The same may be used in case the member forgets the password and the same needs to be reset.
 - viii. For members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in the Notice of AGM.
 - ix. 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.
 - x. Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
 - xi. 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.
 - xii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- II. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to [https:// www . evotingindia.co.in](https://www.evotingindia.co.in) and register themselves, link their account which they wish to vote on and then cast t h e i r vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
- III. The voting period begins on 27th September 2016 (10:00 am) and ends on 29th September, 2016 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 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 the shareholder, the shareholder shall not be allowed to change it subsequently.
- IV. 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
- V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 23rd September, 2016.
- VI. Mr. P. V. Ramaswamy, Practicing Company Secretaries (Membership No. FCS 1708, CP No. 2087) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VIII. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.limechem.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
8. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Corporate Office of the Company during normal business hours (11.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
9. The Register of members and Share Transfer Books of the Company will be closed from 28th September 2016 to 30th September 2016 (both days inclusive).
10. Members are requested to please bring their copies of the Annual Report to the Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 5

The present term of Mr. Ahmed H. Dawoodani as Managing Director is upto 31st July 2016. The Board of Directors at their meeting held on 13th August 2016 reappointed Mr. Ahmed H. Dawoodani as Managing Director of the Company with effect from 1st August 2016 for a further period of three years, subject to the approval of the members in the General Meeting in accordance with Schedule V to the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Based on this, the Remuneration Committee had approved the payment and the terms and conditions including remuneration payable to Mr. Ahmed H. Dawoodani which are given below:

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REMUNERATION

Sections 196 & 197 read with Schedule V of the Companies Act, 2013 requires the payment of minimum remuneration in case of lack or inadequacy of profits to be approved by the Members by way of a Special Resolution for a period not exceeding three years.

(A) In case of adequate profits:

Not exceeding 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 and payable by way of Salary/ Allowances/ other Perquisites / benefits and/or Commission, as determined by the Nomination and Remuneration Committee from time to time.

(B) Minimum Remuneration in case of lack or inadequacy of profits:

Where in any financial year during the currency of the tenure of the Managing Director, we have Nil Profits or the Profits are inadequate, Managing Director shall be paid remuneration as under:

1. Remuneration payable not exceeding the limit prescribed under Section II, Part II of Schedule V of the Companies Act, 2013, based on the effective capital of the Company and in accordance with the approval of the Nomination and Remuneration Committee at the relevant point of time.
2. Contributions to Provident Fund, Superannuation Fund or Annuity Fund to the extent singly or taken together are not taxable under the Income Tax Act, 1961;
3. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
4. Encashment of Leave at the end of the tenure.

(C) General:

1. The perquisites shall be valued in terms of the actual expenditure. However, where such actual expenditure cannot be ascertained, such perquisites shall be valued as per the Income Tax Rules.
2. MD shall not be entitled to any sitting fees for attending the meetings of the Board or of the Committee(s) of which he is a Member.
3. MD shall be subject to all other service conditions and employee benefit schemes, as applicable to any other employee of the Company.

SALARY, PERQUISITES AND ALLOWANCES

Presently the net worth of the Company has been eroded and when becomes positive, the Salary shall be paid in accordance with minimum salary and perquisites allowed to pay under the provisions of Schedule V of the Companies Act, 2013.

Item No. 6 & 7

Under Section 180 (1)(c) of the Companies Act, 2013 ("Act"), the Board of Directors of a company cannot, except with the consent of the shareholders in general meeting by a special resolution, borrow monies, apart from temporary loans obtained from the company's bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves of the Company.

The Shareholders vide resolution passed at their Annual General Meeting held on 29th September, 1999 had accorded their consent to the Board of Directors to borrow up to Rs. 30 Crores over and above the paid up capital of the Company and its free reserves.

Taking into consideration, the requirements of additional funds to meet the cost of the Company's additional long term working capital requirements of the Company, it is expected that the limit of Rs. 30 crores over and above the paid up capital of the Company and its free reserves sanctioned by the Shareholders will not be adequate. The consent and approval of the Shareholders is therefore, sought in accordance with the provisions of Section 180(1)(c) of the Act, to enable the Directors to borrow monies, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 75 Crores (Rupees Seventy Five Crores) over and above the paid up capital of the Company and its free reserves.

The proposed borrowings of the Company may, if necessary, be secured by way of charge/ mortgage/ hypothecation on the Company's assets in favour of the lenders/ holders of securities / trustees for the holders of the said securities as mentioned in Item No. 7.

As the documents, to be executed between the lenders/security holders/ trustees for the holders of the said securities and the Company, may contain provisions to take over substantial assets of the Company in certain events, it is necessary to pass a Resolution under Section 180(1)(a) of the Act, for creation of charges/mortgages/hypothecations for an amount not exceeding Rs. 75 Crores (Rupees Seventy Five Crores) over and above the paid up capital of the Company and its free reserves.

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The above proposals are in the interest of the Company and the Directors recommend the Item Nos. 6 and 7 of the Notice for consent and approval by the shareholders.

Directors, Key Managerial Personnel and their relatives who are members of the Company, may be deemed to be concerned or interested in the Item Nos. 6 and 7 of the accompanying notice to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

Item No. 8 - Approval for Related Party Transactions

Section 188 of the Companies Act, 2013 read with rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 prescribe certain procedure for approval of related party transactions. The SEBI Listing Regulations has also prescribed seeking of shareholders' approval for material related party transactions. The proviso to section 188 also states that nothing in section 188(1) will apply to any transaction entered into by the company in its ordinary course of business and at arm's length basis.

All the proposed transactions put up for approval are in ordinary course of business and at arm's length. Pursuant to the provisions of Listing Regulations, the following contracts / arrangements / transactions are material in nature and require the approval of the unrelated shareholders of the Company by a special resolution. The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto, and the Company's Related Party Transaction Policy are furnished hereunder:

S. No.	Name of Related Party	Relationship	Nature and Material Terms/ particulars of the contract or arrangement	Maximum value of Transaction per annum
1	Himachal Polyolefins Limited	Associate Company	All the proposed transactions are intended to be carried out based on business requirements of the Company and shall be in ordinary course of business and at arms' length. All the transactions are for sale / purchase of materials, finished goods, borrowing or availing or rendering of services with the Associate Company.	Cumulatively all the transactions not to exceed Rs. 40 crore in a accounting year.
2	SilvoLiacal Chemicals Limited	Associate Company	All the transactions are in the ordinary course of business at arm's length for borrowing or availing or rendering of services with the Associate Company.	
3	Mr. Ahmed H Dawoodani	Managing Director and Promoter	Salary and perquisites. Also based on business requirements of the Company, to borrow funds from Director.	
4	Mrs. Shahnaz A Dawoodani	Executive Director and Promoter Group	Salary and perquisites. Also based on business requirements of the Company, to borrow funds from Director.	
5	Diamond Jubilee Stores	Associate	Rent and other payments	

The above contracts / arrangements / transactions were approved by the Audit Committee at its meeting held on 30th May 2016 and recommended by the Board of Directors to the unrelated shareholders of the Company for their approval.

The above entities / persons that are directly / indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approval of material Related Party Transactions is sought from the shareholders. Accordingly, all related parties of the Company, including the Directors and Key Managerial Personnel of the Company will not vote on this resolution.

None of the Directors or any of the Key Managerial Personnel of the Company or their relatives other Mr. Ahmed H. Dawoodani and Mrs. Shahnaz A. Dawoodani are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 8 of the Notice. The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the unrelated shareholders.

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ANNEXURE –A

Details of directors seeking re-appointment at the forthcoming Annual General Meeting as required under clause 49 of the listing agreement with the stock exchanges are given below:

Brief profile of re-appointment of Director in compliance with Corporate Governance

Particulars	Mr. Ahmed H. Dawoodani Managing Director	Mrs. Shahnaz A. Dawoodani	Mr. Sadruddin H. Jiwani
Date of Birth	08/12/1960	31/08/1966	15.05.1945
Date of Appointment	Reappointment as Managing Director w.e.f 01/08/2016	30/05/2013	31.03.2015
DIN	00934276	02324234	05002145
Qualification	B.Com	Undergraduate	Graduate
Expertise in specific function area and no. of years of experience	He has more than 35 years' experience in managing Industries and Managing Director of Lime Chemicals Limited since 1989.	More than 26 years of experience in business related activities.	Having more than 46 years' experience in different business.
Directorship held in other public & private companies	1. SilvoLiacal Chemicals Ltd. 2. Himachal Polyolefins Ltd. 3. Lime Infra Realty Pvt. Ltd. 4. Sahid Investment & Trading Co. Pvt. Ltd. 5. West Point Minerals & Chemicals Co. Pvt. Ltd.	1. SilvoLiacal Chemicals Ltd. 2. Himachal Polyolefins Ltd. 3. Regent Chemicals Ltd. 4. Lime Infra Realty Pvt. Ltd. 5. Sahid Investment & Trading Co. Pvt. Ltd. 6. West Point Minerals & Chemicals Co. Pvt. Ltd.	GovindKripalInfratech Pvt. Ltd. J.P.B. Developers LLP
Chairmanship/ Membership of Board Committees of other companies	Nil	Nil	Nil
Number of shares held	663912	365467	Nil

For and on behalf of the Board of Directors

Ahmed H. Dawoodani
Managing Director

REGISTERED OFFICE

Light House Building, Ground Floor
Sitaphalwadi, Mazgaon
Mumbai – 400 010

DATED: 13th August 2016

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DIRECTORS' REPORT

The Directors present their 46th Annual Report on the business and operations of the Company and the financial accounts for the year ended on 31st March, 2016.

FINANCIAL RESULTS

(Rs. In lac)

Particulars	For the year ended on 31/03/2016	For the previous year ended on 31/03/2015
Gross Profit (before interest, depreciation & taxation)	438.29	372.67
Less: Interest	18.06	114.29
Depreciation	69.35	71.16
Profit before tax	350.88	187.22
Tax expense/Deferred nTax	23.48	31.81
Profit / Loss after Tax	327.40	155.41
Add: Balance brought from previous year	(5788.87)	(6167.41)
Profit / (Loss) available for appropriations	(5461.46)	(5880.54)
APPROPRIATIONS / TRANSFERS		
Profit/(loss) carried to Balance Sheet	(5461.67)	(4016.35)

DIVIDEND

Your Directors do not recommend any dividend on equity shares in view of the working capital requirement and brought forward loss of earlier years incurred by the Company.

REFERENCE TO BIFR

The Company had made Reference to the Board for Industrial & Financial Reconstructions (BIFR) under Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 and has been registered as case No. 14/2008 on 10.03.2008 as the entire net worth of the Company has been eroded. As per the draft Rehabilitation Scheme submitted consultation with the consortium Banks to the BIFR, the Company has been declared as Sick Company by an Order issued by the BIFR on 24th February 2010 and has appointed Bank of Baroda as the Operating Agency with directions to prepare a revival scheme for the Company and to submit before BIFR. The Operating Agency i.e. Bank of Baroda has submitted draft rehabilitation scheme to BIFR. The Company is awaiting hearing on the draft rehabilitation scheme.

OPERATION AND FUTURE OUTLOOK

During the year under review, the turnover has increased to Rs. 28.21 crores against Rs. 19.18 crores in the previous year. The Company could able to achieve higher turnover on account of improved working capital. The Company has taken various steps to boost better working results and operating profit, which will result in the coming years.

DIRECTORATE :

Mrs. Shahnaz A. Dawoodani, and Mr. SadruddinJiwani, the Directors of the Company shall retire by rotation at the forthcoming Annual General Meeting and offer themselves for re-appointment. Mr. Ahmed H. Dawoodani has re-appointed as Managing Director with effect from 1st August 2016.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

EXPORTS

During the year under review, the Company exported its products to various countries. Total exports during the year on FOB basis was Rs. 21.71 lac against Rs. Nil lac in the previous year.

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Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There were no material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report like settlement of tax liabilities, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

Internal control systems and their adequacy

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board and to the Chairman.

The Company has obtained ISO 9001 certification and adheres to the Standard Operating Practices its manufacturing and operating activities.

The management of the Company evaluates the efficiency and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the assessment, the management undertakes corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations with corrective actions thereon are presented to the Audit Committee of the Board.

Subsidiaries/ Joint Ventures

The Company does not have Subsidiary or Joint Ventures.

Fixed deposit

The Company has fully repaid the outstanding deposits held by it and there were no outstanding deposits payable by the Company.

Auditors & auditor's report

The Company's Auditors M/s. A.N. Damania & Co., Chartered Accountants will retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the provision prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Notes on Financial Statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

Extract of Annual Return

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

Conservation of energy, technology absorption etc.

The particulars of conservation of Energy, Technology, Absorption, foreign Exchange Earnings and outgo have not been given since the same are not applicable to the Company.

Corporate Social Responsibility Initiatives

The Company does not come under the parameters specified under Section 135 of the Companies Act, 2013, hence no Committee has been constituted for Corporate Social Responsibility Initiatives.

LIME CHEMICALS LIMITED

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Appointment & Remuneration and Stakeholder's Grievance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Nomination and Remuneration Committee

The Board has on the recommendation of the Appointment and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

Board and Audit Committee Meetings

During the year, Five Board Meetings and Four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Vigil Mechanism / Whistle Blower Policy

The Company has established a vigil mechanism to be known as the "Whistle Blower Policy" for its Directors and employees to report instances of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and also provide direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.

Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading under Securities and Exchange Board of India (Insider Trading) Regulation 2015 with a view to regulate trading in securities by the Directors, designated employees and their immediate relatives and other connected persons. The Code requires pre-clearance for dealing in the Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. All the members of the Board and designated employees have confirmed compliance with the Code.

Particulars of loans, guarantees or investments

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by the Company are given in the notes to the financial statements.

Related Party Transactions

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

Secretarial Audit

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Mr. P.V. Ramaswamy, Company Secretary in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as Annexure-B, which is self-explanatory.

Risk Management Policy

Pursuant to Section 134(3) (n) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has constituted a business risk management committee. The details of the Committee and its terms of reference are set out in the corporate governance report forming part of the Board report. At present the Company has not identified any element of risk which may threaten the existence of the Company.

LIME CHEMICALS LIMITED

Corporate Governance

The Report on Corporate Governance along with a certificate of compliance from the Auditors and Management Discussion and Analysis Report forms part of this Report.

Director's responsibility statement

The Board of Directors of your Company confirms that:

- i) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for that period;
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) the Directors have prepared the Annual Accounts on a going concern basis; and
- v) the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operative effectively.

Particulars of employees

The Company did not have any employee falling within the purview of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Persons Rule 2014).

INDUSTRIAL RELATIONS

The Industrial Relations continued to be cordial during the year under review.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere appreciation for the continued co-operation by the Company's Bankers and the support given by the Company's valued customers. The Board also express its sincere appreciation to the commitment and dedicated employees at all levels. Last but not least the Board places on record their gratitude to the Investors, Clients and Shareholders of the Company.

On behalf of the Board of Directors

PLACE: MUMBAI
DATE : 13th August 2016

M. M. Gadgil
Chairman

LIME CHEMICALS LIMITED

Form No. MR-3

SECRETARIAL AUDIT REPORT for the financial year ended 31st March 2016

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

To the Members,
Lime Chemicals Limited

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

Based on my verification of the Lime Chemicals Limited'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 1st April 2015 to 31st March, 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 Lime Chemicals Limited ("the Company") for the financial year ended on 31st March 2016, according to the provisions as applicable to the Company:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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'):-
 - (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;
 - (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;
 - (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) Other laws applicable:
 - (a) The Employees Provident Fund & Miscellaneous Provisions Act, 1952
 - (b) Employees State Insurance Act, 1948
 - (c) Payment of Bonus Act, 1965 and the payment of Bonus Rules, 1965
 - (d) Payment of Gratuity Act, 1972;
 - (e) Contract Labour (Regulation and Abolition) Central Rules, 1971
 - (f) Income Tax 1961 and Rules made thereunder
 - (g) Service Tax Act, 1994 and Rules made thereunder
 - (h) Shops and Establishment Act of Maharashtra and Himachal Pradesh
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange i. e BSE Limited;

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

LIME CHEMICALS LIMITED

Non compliances / observations / audit qualification, reservation or adverse remarks:

- (a) The Company has not appointed Company Secretary and Chief Financial Officer during the period of audit.

I further report that:The Company had made Reference to the Board for Industrial & Financial Reconstructions (BIFR) under Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 and has been registered as case No. 14/2008 on 10.03.2008 as the entire net worth of the Company has been eroded. As per the draft Rehabilitation Scheme submitted consultation with the consortium Banks to the BIFR, the Company has been declared as Sick Company by an Order issued by the BIFR on 24th February 2010 and has appointed Bank of Baroda as the Operating Agency with directions to prepare a revival scheme for the Company and to submit before BIFR. The Operating Agency i.e. Bank of Baroda has submitted draft rehabilitation scheme to BIFR.

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 at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

Specific observations / qualification, reservation or adverse remarks in respect of the Board Structures/ system and processes relating to the Audit period - Nil

I further report that during the audit period the company has not incurred any specific event/ action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

P.V. RAMASWAMY

Practicing Company Secretary
Membership No. 1708
Certificate of Practice No. 2087

Place: Mumbai

Date: 8th August 2016

LIME CHEMICALS LIMITED

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

Annexure A to Secretarial Audit Report

To the Members,
Lime Chemicals Limited

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

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

P.V. RAMASWAMY

Practicing Company Secretary
Membership No. 1708; Certificate of Practice No. 2087

Place: Mumbai
Date: 8th August 2016

LIME CHEMICALS LIMITED

Annexure B to the Directors Report

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2016

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 11(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i) CIN: L24100MH1970PLC014842
- ii) Registration date: 17th October 1970
- iii) Name of the Company: Lime Chemicals Limited
- iv) Category / Sub-category of the Company: Company limited by shares
- v) Address of the Registered office and contact details: Light House Building, Ground Floor, SitaphalWadi, Mazgaon, Mumbai – 400 010
Corporate Office: Neco Chambers, 4th Floor, Rajiv Gandhi Road, Sector-11, C.B.D Belapur, Navi Mumbai Pin – 400 614
- vi) Whether listed Company: Yes
- vii) Name, Address and contact details of Registrar and Transfer Agents:
Bigshare Services Pvt. Ltd. E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400 072; Tel: 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:-

Sr. No.	Name & description of main products/ services	NIC code of the product/ service	% to total turnover of the company
1	Production of Calcium Carbonate	14107	98.52%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

(No. of Companies for which information is being filled)

S.No.	Name and Address of the Company	CIN/GLN	Holding/subsidiary/ associate	% of shares held	Applicable section
	NIL				

LIME CHEMICALS LIMITED

iv) SHARE HOLDING PATTERN (Equity Share Capital breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of year				No. of Shares held at the end of the year				% of change total capital
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individuals/ Hindu Undivided Family	1135296	76335	1211631	36.82	1191990	8060	1200050	36.47	0
b) Central Government/ State Government(s)	0.00	0.00	0	0	0.00	0.00	0	0	0
c) Bodies Corporate	77370	50500	127870	3.89	77370	50500	127870	3.89	0
d) Financial Institutions/ Banks	0.00	0.00	0	0	0.00	0.00	0	0	0
Sub Total(A)(1)	1212666	126835	1339501	40.71	1269360	58560	1327920	40.36	0
Foreign									
a) NRI Individuals/ Other Individuals)	0.00	0.00	0	0	0.00	0.00	0	0	0
b) Bodies Corporate	0.00	0.00	0	0	0.00	0.00	0	0	0
d) Any Others(Specify)	0.00	0.00	0	0	0.00	0.00	0	0	0
Sub Total(A)(2)	0.00	0.00	0	0	0.00	0.00	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	1212666	126835	1339501	40.71	1269360	58560	1327920	40.36	0
B. Public shareholding									
1. Institutions									
a) Mutual Funds/ UTI	60	3300	3360	0.10	60	3300	3360	0.10	0
b) Financial Institutions / Banks	64000	0.00	64000	1.95	64000	0.00	64000	1.95	0
c) Central/ State Government	0.00	0.00	0	0	0.00	0.00	0	0	0
d) Venture Capital Funds	0.00	0.00	0	0	0.00	0.00	0	0	0
e) Insurance Companies	0.00	0.00	0	0	0.00	0.00	0	0	0
f) Other Foreign Investors	0.00	0.00	0	0	0.00	0.00	0	0	0
Sub-Total (B)(1)	64060	3300	67360	2.05	64060	3300	67360	2.05	0
Non-institutions									
a) Bodies Corporate									
i) Indian	198591	74871	273462	8.35	72169	74871	147040	4.47	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh	849772	487051	1336823	40.01	915192	523276	1438468	43.72	0
ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	214703	0.00	214703	6.96	211311	30000	241311	7.33	0
Any Other (specify)	0.00	0.00	0	0	0.00	0.00	0	0	0
NRI (Repat& Non Repat)	20373	35300	55673	1.72	28877	35300	64177	1.95	0
Trust	0	0	0	0	0	0	0	0	0
Hindu Undivided Family	0	0	0	0	0	0	0	0	0
Clearing Members	2754	0	2754	0.06	4000	0	4000	0.12	0
Sub-Total (B)(2)	1286193	597222	1883415	57.09	1231549	663447	1894996	57.58	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	1350253	600522	1950775	59.14	1295609	666747	1962356	59.64	0
TOTAL (A)+(B)	2562919	727357	3290276	100.00	2564969	725307	3290276	100.00	0
C. Shares held by Custodians for GDR & ADRs	0.00	0.00	0	0	0.00	0.00	0	0	0
GRAND TOTAL (A)+(B)+(C)	2562919	727357	3290276	100.00	2564969	725307	3290276	100.00	0

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(ii) Shareholding of Promoters

S.. No.	Name of the shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		Number of shares held	% totalShares of the Co.	% of Shares Pledged total Shares	Number of shares held	% of total Shares of the company	%of Shares Pledged Tototal shares	
1	A.H. DAWOODANI	663912	20.18	0.00	663912	20.18	0	0
2	S.A. SAWOODANI	366467	11.11	0.00	365467	11.11	0	0.02
3	RAHIM DAWOODANI	113957	3.46	0.00	170651	5.19	0	1.73
4	K. M. DAWOODANI	10000	0.30	0.00	0	0	0	-0.30
5	N.N. BHARWANI	48275	1.47	0.00	0	0	0	-1.47
6	N. E. BHARWANI	10000	0.30	0.00	0	0	0	-0.30
7	Z.A. DAWOODANI	20	0.00	0.00	20	0.00	0	0
8	SAHID INVESTMENT & TRADING CO. PVT. LTD.	127870	3.89	0.00	127870	3.89	0	0
TOTAL		1339501	40.71	0.00	1327920	40.37	0	-0.34

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

S. No.		Shareholding at the beginning of the year		Inter-se transfer &Buy/ sold &during the year		Cumulative Shareholding during year	At the end of year on 31/03/2016	
		No. of shares 01/042015	% of total shares	Date	No. of shares	No. of shares	No. of Shares	% of total shares
1	RAHIM DAWOODANI	113957	3.46	16/10/2015	41983			
				24/11/2015	14711	170651	170751	5.19

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

S.No.		Shareholding at the beginning of the year		At the end of year on 31/03/2016	
		No. of shares 01/042015	% of total shares	No. of Shares	% of total shares
1	Duke Advisors Pvt. Ltd	84536	2.57	0	0
2	Life Insurance Corporation of India	64000	1.95	64000	1.95
3	Shree Suvarn Consultants Pvt. Ltd..	50000	1.52	50000	1.52
4	RashmiNavinbhai Mehta	0	0	47944	1.46
5	Karamjit Singh	0	0	35262	1.07
6	NeveinNasruddinBharwani	30000	0.91	30000	0.91
7	AvinashMukeshJhaveri	25661	0.78	0	0
8	Munesh J. Jalota	22631	0.69	22631	0.69
9	Variety Investments Pvt. Ltd.	22526	0.68	22526	0.68
11	NoorjehanSultanjiVirjee	22030	0.67	22030	0.67
12	Saltrock Management Services Pvt. Ltd.	20000	0.61	20000	0.61
13	Raju Ajit Bhandari	20000	0.61	20000	0.61

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(v) Shareholding of Directors and Key Managerial Personnel:

S. No.		Shareholding at the beginning of the year		Inter-se transfer & Buy/sold & during the year		Cumulative Shareholding during year	At the end of year on 31/03/2016	
		No. of shares 01/04/2015	% of total shares	Date	No. of shares	No. of shares	No. of Shares	% of total shares
1	Ahmed H. Dawoodani	663912	20.18	0	0	663912	663912	20.18
2	Shahnaz A. Dawoodani	365467	11.11	0	0	365467	365467	11.11
3	Tejas P. Shah	24121	0.73	0	0	24121	24121	0.73

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	253342	280462348	0	280715690
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	253342	280462348	0	280715690
Change in Indebtedness during the financial year				
· Addition	0	62679082	0	626790820
· Reduction	0	49592589	0	49592589
Net Change	0	13086493	0	13086493
Indebtedness at the end of the financial year				
i) Principal Amount	253342	293548841	0	293802183
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	253342	293548841	0	293802183

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD	Total Amount
		Mr. A.H.Dawoodani	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission- as % of profit&- others, specify...	0	0
5	Others, please specify	0	0
	Total (A)	0	0
	Ceiling as per the Act	0	0

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B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors					Total Amount
		M.M. Gadgil	K.S. Varadhan	S.A. Dawoodani	Sadrudin Jiwani	Akbar Virani	
1	Independent Directors						
	Fee for attending board committee meetings	0	0	0	0	0	0
	Commission	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0
	Total (1)	0	0	0	0	0	0
2	Other Non-Executive Directors						
	Fee for attending board committee meetings	0	0	0	0	0	0
	Commission	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0
	Total (2)	0	0	0	0	0	0
	Total (B)=(1+2)	0	0	0	0	0	0
	Total Managerial Remuneration	0	0	0	0	0	0
	Overall Ceiling as per the Act	0	0	0	0	0	0

C. Remuneration to key managerial personnel other than MD/Manager/WTD- NIL

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	Nil	Nil	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission – as % of profit	0	0	0	0
	others, specify...	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	0	0	0	0

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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES- NIL

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 (B) DIRECTORS (C) OTHER OFFICERS IN DEFAULT - NIL					
Penalty					
Punishment					
Compounding					

LIME CHEMICALS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Management discussion and analysis of financial condition and results of operations include forward looking statements based on certain assumptions and expectations of future events. The Company cannot assure that these assumptions and expectations are accurate. Although the management has considered future risks as part of the discussions, future uncertainties are not limited to the management perceptions.

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India. The Management of the Company accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present the Company's state of affairs and profits for the year. The following discussion may include forward looking statements, which may involve risks and uncertainties, including but not limited to the risks inherent to Company's growth strategy, dependency on certain clients, dependency on availability of qualified technical personnel and other factors discussed in this report.

Industry structure and developments

The Company is engaged in the manufacturing Calcium Carbonate, which is used as input material in various industrial sectors such as Tooth Paste, Pharmaceuticals, PVC products, Rubber, Plastic, Polymer, Cable, Leather, Paper and Paints etc. The Calcium Carbonate Industry comprises organized and un-organized sectors. The unorganized sector consists of small and tiny units which are out of the purview of paying Excise Duty etc.

Your Company is one the largest producers of Calcium Carbonate in the Country and operating in the sector since 1976. The Company operates two manufacturing plants one at Roha in Raigad District, Maharashtra and in Paonta Sahib, Himachal Pradesh.

Opportunities and Threats

The Company's products are well accepted in the market. The cost reduction plans of the company have provided an edge to the company to compete with unorganized sector. The company continues to face competition from other big players and other unorganized players in calcium carbonate industry.

The high cost of funding and the competitors from the existing players could affect the profitability and growth of the company to a certain measure.

Outlook

The Company is exploring overseas market for its products and optimistic to achieve good results. The growth in industrial output and increase in investment in core and infrastructuresector should improve the sentiments of Economy. The growth in other sectors would also follow which inturn would increase the prospects of the company.

On behalf of the Board of Directors

PLACE: MUMBAI
DATE :13th August, 2016

M. M. Gadgil
Chairman

LIME CHEMICALS LIMITED

REPORT ON CORPORATE GOVERNANCE

Interms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance is given below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company has adopted good corporate governance practices and ensures compliance with all relevant laws and regulations. It has led to the satisfaction and transparency to the shareholders. Company's philosophy is concerned with ethics, values, morals and social responsibility of the Company. The Company remains accountable to shareholders and other beneficiaries for their actions. The Company conducts its activities in a manner that is fair and transparent and perceived to be such by others.

2. BOARD OF DIRECTORS

a) Composition

Name	Category	Designation
Mr. M. M. Gadgil	Independent	Chairman
Mr. A. H. Dawoodani	Executive-Non Independent	Managing Director
Mr. K. S. Varadhan	Independent	Director
Mrs. Shahnaz A. Dawoodani	Non-Independent	Director
Mr. Sadruddin H. Jiwani	Non-Independent	Director
Dr. Akbar J. Virani	Non-Independent	Director

The composition of the Board of Directors is in accordance with the provisions of SEBI Listing Regulations, Non-Executive Independent Directors of your Company have no pecuniary relationship or any transaction with your Company.

b) Board Meetings

The meeting of the Board of Directors are scheduled well in advance and generally held at the Company's Corporate Office. The notice and the detailed agenda are sent well in advance to all the Directors. During the financial year ended on 31/3/2016, Four board meetings were held on 30/05/2015, 30/08/2015, 29/10/2015 & 12/02/2016.

The attendance of each Director at the Board Meetings and last Annual General Meeting (AGM) and number of other Directorship and Membership/Chairmanship of Committee are as follows:

Name of the Director	Attendance Particulars		No. of directorship/and Committee Membership / Chairmanship in other Companies			
	Board Meetings	Last AGM	Directorship in private Companies	Directorship in public Companies	Committee Memberships	Committee Chairmanships
Mr. M. M. Gadgil	4	Yes	0	1	0	0
Mr. A. H. Dawoodani	4	Yes	3	2	0	0
Mr. K. S. Varadhan	1	No	0	0	0	0
Mrs. Shahnaz Dawoodani	4	Yes	3	3	0	0
Mr. Sadruddin H. Jiwani	1	No	1	0	0	0
Dr. Akbar J. Virani	1	No	0	0	0	0
Total						

LIME CHEMICALS LIMITED

c) **Brief Note on the Directors seeking appointment/ re-appointment at the 46th Annual General Meeting:**

In Compliance with and provisions of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, brief resume, expertise and details of other directorship, membership in committees of Directors of other companies and shareholding in the Company of the Directors proposed to be re-appointed are given in the Annexure A of forming part of Notice.

c) **Remuneration of Directors**

The Company has not paid remuneration to Mr. Ahmed H. Dawoodani, the Managing Director of the Company. At present Independent Directors are not paid any remuneration for attending Board and Committee Meetings.

3. **AUDIT COMMITTEE**

The scope of activities and powers of Audit Committee includes the areas prescribed under the SEBI Listing Regulations and section 177 of the Companies Act, 2013. The members of Audit Committee are Mr. M. M. Gadgil as Chairman and Mr. K.S Varadhan and Mr. Ahmed H. Dawoodani, members of the Committee. During the financial year under review, 4 meetings were held on, 30/05/2015, 30/08/2015, 29/10/2015 & 12/02/2016.

4. **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was reconstituted on 31st March 2016 in compliance with the provisions of Section 178 of the Companies Act, 2013. Mr. K.S. Varadhan is the Chairman of the Committee and Mr. M. M. Gadgil and Mr. Sadruddin Jiwani are the other members of the Committee.

The terms of reference of the Nomination and Remuneration Committee cover all the areas mentioned under provisions of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, and Section 178 of the Companies Act, 2013. The broad terms of reference of the Nomination and Remuneration Committee therefore include recommending a policy relating remuneration and employment terms of Managing Director and senior management personnel, adherence to the remuneration / employment policy from time to time as finally approved by the Board of Directors. Preliminary evaluation of every Director's performance, Board diversity, compliance of the Code for Independent Directors referred to in Schedule IV of the Companies Act, 2013, compliance with the Company's Code of Conduct by Directors and employees of the Company, reporting of non-compliances to the Board of Directors, recommending draft of the report required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, monitor loans to employees and any other matters which the Board of Directors may direct from time to time.

Policy for selection and appointment of Directors and their Remuneration:

Criteria of selection of Non-executive Directors

The Non-executive Directors shall be of high integrity with relevant expertise and experience in the fields of finance, marketing, taxation, governance and general management.

In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:

- a) Qualification, expertise and experience of the Directors in their respective fields;
- b) Personal, Professional or business standing;
- c) Diversity of the Board.

In case of re-appointment of Non-executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

LIME CHEMICALS LIMITED

Remuneration:

The Non-executive Directors shall be entitled to receive sitting fees for each Meeting and Committee attended by them of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and reimbursement of expenses for participation in the Board Meetings.

Criteria for selection and appointment of CEO and Managing Director

The Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO and Managing Director

At the time of appointment or re-appointment, the CEO and Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Committee and the Board of Directors) and the CEO and Managing Director within the overall limits prescribed under the Companies Act, 2013. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the CEO and Managing Director comprises of fixed and variable component as per the provisions of the Companies Act, 2013. The fixed component comprises salary, allowances, perquisites and retiral benefit.

Remuneration Policy for the Senior Management Employees

The Managing Director will carry out the individual performance review based on the respective defined objectives, qualification, expertise, experience and other factors whilst recommending the annual increment and performance incentive to the Committee for its review and approval. While determining the remuneration of the Senior Management Employees, the Committee shall ensure the relationship of remuneration and performance benchmark is clear.

4. RISK MANAGEMENT COMMITTEE

The Board of Directors, during the year, constituted "Risk Management Committee" as required under SEBI Listing Regulations. The Committee is responsible for risk identification, evaluation and mitigation and to set up process for risk management plan. The Risk Management Committee comprises of Mr. Ahmed H. Dawoodani, Managing Director and Mrs. Shahnaz A. Dawoodani as Member of the Committee.

5. PERFORMANCE EVALUATION OF THE BOARD

Based on the inputs on aspects under the provisions of the Companies Act, 2013 and under the SEBI Listing Regulations such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, independence of judgement, safeguarding the interest of the Company etc. received from each Directors specifically Executive, Non-Executive and Independent Directors, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Appointment and Remuneration Committees.

6. STAKEHOLDERS GRIEVANCE COMMITTEE

The Stakeholders' Grievance Committee comprises of 3 Directors viz. Mrs. Shahnaz A. Dawoodani, the non-executive Director is the Chairman and Mr. Ahmed H. Dawoodani and Mr. M. M. Gadgil are the members of the Committee. The Committee reviews the status of Investor Grievances and recommends measure to improve in solving Investor Services. During the year there were no complaints received from shareholders and there is no complaint which has remained un-addressed.

LIME CHEMICALS LIMITED

7. GENERAL BODY MEETINGS

Date	AGM/EGM	Location	Time	No. of Special Resolution
30.09.2015	AGM	Light House Building, Ground Floor, Sitaphalwadi, Mazgaon, Mumbai – 400 010	10.30 a.m	2
30.09.2014	AGM	Light House Building, Ground Floor, Sitaphalwadi, Mazgaon, Mumbai – 400 010	10.30 a.m	3
30.09.2013	AGM	Light House Building, Ground Floor, Sitaphalwadi, Mazgaon, Mumbai – 400 010	10.00 a.m	0

During the last year no business had been conducted through postal ballot.

8. DISCLOSURES:

- a) There was no transaction of material nature with the Promoters, Directors, Management or their relatives during the financial Year of the Company, which could have potential conflict with the interests of the Company at large. However, the transactions detailed in Note no. 31 part of the Accounts may be considered as related party transactions.
- b) During the last three years, there were no strictures or penalties imposed either by Securities and Exchange Board of India or the Stock Exchange or any regulatory authority for non-compliance of any matter related to the capital market.
- c) No personnel have been denied access to the Chairman or members of the Audit Committee. The mechanism of Whistle Blower Policy is in place.
- d) The Company is in Compliance with the mandatory Provisions of Clause 49 of the Listing Agreement.
- e) **Code of Business Conduct and Ethics for Board of Directors and Senior Management:** The Company has in place the Code of Business Conduct and Ethics for Board of Directors and Senior Management (the Code) approved by the Board of Directors. The Code has been communicated to Directors and the members of the senior management.

8. MEANS OF COMMUNICATION

- a) The Annual, half Yearly and quarterly results are regularly submitted to the Stock Exchange and published in accordance with the Listing Agreement.
- b) The financial results or official news are displayed on the Company's website www.limechem.com
- c) There were no presentations made to the institutional investors or to the analysts
- d) Management Discussion and Analysis Report forms a part of this Annual Report

9. GENERAL INFORMATION FOR SHAREHOLDERS

i) AGM: Date, Time & Venue	30 th September, 2016 at 10.30 a. m Husami Hall, 119/127, Dr. Mascarenhas Road, Unit No.3, 1 st Floor, Opp: Development Credit Bank Ltd., Anjir Wadi, Mazgaon, Mumbai – 400 010
ii) Financial Year	1 st April 2015 - 31 st March, 2016
iii) Book closure	28.09.2016 to 30.09.2016
iv) Dividend payment date	No dividend recommended
v) Listing on Stock Exchange	The Bombay Stock Exchange (BSE)
vi) Listing fees paid for the year	2015-2016
vi) Dematerialisation of shares	As on 31.03.2016, 77.96% of total paid-up equity capital is dematerialized.
vii) ISIN of the Company for demat	INE891G01011
viii) Registrar & Share Transfer Agent	Big Share Services Private Limited E/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka Andheri (East), Mumbai – 400 072

LIME CHEMICALS LIMITED

13. MARKET PRICE DATE: HIGH / LOW DURING EACH MONTH IN 2015 – 2016 ON BSE Limited

Month	High – Rs.	Low – Rs.	BSE Sensex
April 2015	4.59	3.34	27011.31
May 2015	6.02	3.85	27828.44
June 2015	5.00	3.20	27780.83
July 2015	4.56	3.52	28114.56
August 2015	4.70	4.40	26283.09
September 2015	5.30	4.72	26154.83
October 2015	4.94	4.47	26656.83
November 2015	5.81	4.69	26145.67
December 2015	7.55	6.10	26117.54
January 2016	9.81	7.91	24870.69
February 2016	9.90	9.90	23002.00
March 2016	9.90	9.90	25341.86

14. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2016

No. of Equity Shares Held	No. of Shareholders	No. of Shares	% Total
1 - 500	4,682	632397	19.22
501 - 1000	239	196106	5.96
1001 - 2000	80	129222	3.93
2001 - 3000	36	91682	2.79
3001 - 4000	17	58658	1.78
4001 - 5000	14	66429	2.02
5001 - 10000	26	190741	5.80
10001 and above	39	1925041	58.50
TOTAL	5,133	32,90,276	100.00

15. SHAREHOLDING PATTERN AS ON 31.03.2016 IS AS FOLLOWS :

SR.NO	CATEGORY	NO.OF SHARES HELD	% OF SHARE-HOLDING
1.	Promoters Holding		40.36
	Indian Promoters and Persons Acting in concert	1327920	--
	- Foreign Promoters	--	1.95
2.	Banks, Financial Institutions / Insurance Cos.	64000	0.10
3.	Mutual Funds & UTI	3360	4.47
4.	Private Corporate Bodies	147040	1.95
5.	NRIs/OCBs	64177	0.12
6.	Clearing Members	40001679779	51.05
	Indian Public		
	TOTAL	3290276	100.00

On behalf of the Board of Directors
M. M. GADGIL
 Chairman

MUMBAI
 DATED :13th August 2016

LIME CHEMICALS LIMITED

ANNEXURE TO CORPORATE GOVERNANCE REPORT

Declaration regarding affirmation of Code of Conduct

In terms of the requirements of the Clause SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all the members of the Board and the senior management personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2016.

A.H. DAWOODANI
Managing Director

Mumbai
Dated: 13th August 2016

Auditors' Certificate on compliance with the conditions of Corporate

To the members of Lime Chemicals Ltd.

We have examined the compliance of the conditions of Corporate Governance by LIME CHEMICALS LIMITED (the Company) for the year ended 31st March 2016, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company.

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

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

On the basis of certificate issued by the Managing Director of the Company, we state that, there were no investor's grievances remained unattended / pending for more than thirty days.

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

For A.N. DAMANIA & CO.
Chartered Accountants
Firm Reg. No. 102077W

AshvinDamania
M.No. 040166
Proprietor

Mumbai
Date: 13th August 2016

LIME CHEMICALS LIMITED

Independent Auditor's Report To the Members of Lime Chemicals Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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 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 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. 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 qualified audit opinion on the financial statements.

Basis for Qualified Opinion

In our opinion, the qualification is material, but not pervasive to the financial statements.

As stated in Note No.43, the management has decided not to provide for interest amounting to `8.39 lac payable to parties registered under Micro, Small & Medium Enterprises Act, 2006. Consequently, profit is overstated and liabilities are understated by `8.39 lac.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, ***except for the effects of the matter described in the Basis for Qualified Opinion paragraph***, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to:

Note 40 to the financial statements regarding Sale. Our opinion is not qualified in respect of this matter.

LIME CHEMICALS LIMITED

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.
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 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 the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund.

For A. N. Damania & Co.
Chartered Accountants
Firm Registration No. 102077W

Ashvin Damania
Proprietor
Membership No.040166

Mumbai
30th May 2016

LIME CHEMICALS LIMITED

Annexure - A to the Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of Lime Chemicals Limited ("the Company") on the financial statements for the year ended 31st March 2016

We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) As per the information and explanations provided to us, the title deeds of immovable property except that of free hold land are held in the name of the Company.
- (ii) As per the information and explanations provided to us, the inventories have been physically verified by the management at reasonable interval and no material discrepancy was noticed on physical verification.
- (iii) During the year the Company has not granted loans to any party covered in the register maintained under section 189 of the Act. Hence, paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are no transactions as referred to in section 185 of the Act. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of 186 of the Act with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public. Hence, paragraph 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has prescribed maintenance of cost records u/s. 148(1) of the Companies Act, 2013. However, the Company has not maintained the cost records during the year.
- (vii)(a) According to the information and explanations given to us and the records of the Company examined by us the Company has not been regular in depositing with the appropriate authorities undisputed dues, including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable to it and no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable except sales tax amounting to ₹554.56 lac, provident fund amounting to ₹43.40 lac, income tax amounting to ₹2.22 lac, property tax amounting to ₹1.58 lac, staff profession tax amounting to ₹0.88 lac, excise amounting to ₹0.14 lac, service tax amounting to ₹7.87 lac, Gram Panchayat Tax ₹2.16 lac and employees' state insurance amounting to ₹15.28 lac.
- (b) According to the information and explanations given to us and the records of the Company examined by us, disputed amounts in respect of the aforesaid dues which have not been deposited as at 31st March 2016 are given below.

LIME CHEMICALS LIMITED

Name of Statute	Nature of the Dues	Amount (₹)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,017,000/-	A.Y 1994-95	Delhi High Court
Income Tax Act, 1961	Income Tax	469,000/-	A.Y 1997-98	Delhi High Court
Income Tax Act, 1961	Income Tax	6,410,000/-	A.Y 2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax (penalty u/s271(i)(C))	25,15,770/-	A.Y 2005 -06	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax / FBT	57,27,000/-	A.Y 2006-07	Rectification before ITO Ward 6(3) – 2 Mumbai
Income Tax Act, 1961	Income Tax	3,39,47,880/-	A.Y.2012-13	Commissioner of Income Tax (Appeals)
MVAT Act 2005/CST Act 1956	MVAT/CST	2,27,61,636/-	F.Y 2005-06	Joint Commissioner of Sales Tax (Appeals)
MVAT Act 2005/CST Act 1956	MVAT/CST	1,29,75,068/-	F.Y 2006-07	Deputy Commissioner of Sales Tax (Appeals)
MVAT Act 2005/CST Act 1956	MVAT/CST	65,89,313/-	F.Y 2007-08	Deputy Commissioner of Sales Tax (Appeals)
MVAT Act 2005/CST Act 1956	MVAT/CST	1,04,47,197/-	F.Y 2007-08	Rectification before Asst. Commissioner of Sales Tax
MVAT Act 2005/CST Act 1956	MVAT/CST	42,31,970/-	F.Y 2008-09	Joint Commissioner of Sales Tax (Appeals)
MVAT Act 2005/CST Act 1956	MVAT/CST	51,88,246/-	F.Y 2009-10	Deputy Commissioner of Sales Tax (Appeals)
MVAT Act 2005/CST Act 1956	MVAT/CST	37,28,646/-	F.Y 2010-11	Deputy Commissioner of Sales Tax (Appeals)
Employees PF & Misc. Provisions Act, 1952	Provident Fund	28,87,724/-	Mar 2000 to Juner 2009	EPF Appellate Tribunal New Delhi
Employees PF & Misc. Provisions Act, 1952	Provident Fund	43,79,369/-	Aug. 2011 to Sept. 2013	EPF Appellate Tribunal New Delhi
Profession Tax Act, 1975	Profession Tax	8,72,555/-	F.Y 2005-06 to 2009-10	Joint Commissioner of Profession Tax (Appeal)
Central Excise Act, 1944	Central Excise	38,73,515/-	F.Y. 2007-08	Excise Tribunal

- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Hence, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Hence, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

LIME CHEMICALS LIMITED

- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has neither paid nor provided for managerial remuneration. Hence, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Hence, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Hence, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For A. N. Damania & Co.

Chartered Accountants

Firm Registration No. 102077W

Ashvin Damania

Proprietor

Membership No.040166

Mumbai

30th May 2016

LIME CHEMICALS LIMITED

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 **Lime Chemicals Limited** ("the Company") as of **31st March 2016** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 A. N. Damania & Co.

Chartered Accountants
Firm Registration No. 102077W

Ashvin Damania
Proprietor
Membership No.040166

Mumbai
30th May 2016

LIME CHEMICALS LIMITED

Balance Sheet as at 31 March, 2016

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
		Amount(In Rs.)	Amount(In Rs.)
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2	32,566,380	32,566,005
(b) Reserves and Surplus	3	(368,894,856)	(401,635,381)
		(336,328,476)	(369,069,376)
2 Non-Current Liabilities			
(a) Long-Term Borrowings	4	319,024,711	306,817,326
(b) Deferred Tax Liabilities (net)	5	15,347,619	13,000,061
(c) Other Long-Term Liabilities	6	71,548,390	86,117,736
(d) Long-Term Provisions	7	8,117,802	2,585,364
		414,038,522	408,520,487
3 Current Liabilities			
(a) Trade Payables	8	48,795,591	46,300,945
(b) Other Current Liabilities	9	69,623,587	84,822,963
(c) Short-Term Provisions	10	2,318,223	9,593,157
		120,737,401	140,717,065
		198,447,447	180,168,176
B ASSETS			
1 Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	107,605,867	104,042,480
(ii) Intangible Assets	11	27,359	48,854
(iii) Capital Work-in-progress		1,358,586	1,761,489
		108,991,812	105,852,823
(b) Non-Current Investments	12	89,203	89,203
(c) Long-Term Loans and Advances	13	10,478,328	11,591,122
(d) Other Non-Current Assets	14	6,238,540	13,382,897
		125,797,883	130,916,045
2 Current Assets			
(a) Inventories	15	18,257,870	15,435,805
(b) Trade Receivables	16	47,526,971	29,341,613
(c) Cash and Cash Equivalents	17	4,740,381	2,667,069
(d) Short-Term Loans and Advances	18	2,124,342	1,346,022
(e) Other Current Assets	19	0	461,622
		72,649,564	49,252,131
		198,447,447	180,168,176
Significant Accounting Policies and Notes on Accounts	1-46		

As Per Our Attached Report Of Even Date
For A. N. Damania & Co.
Chartered Accountants
Firm Reg No : 102077W

For and on behalf of the Board of Directors

M. M. Gadgil
Chairman

Ashvin Damania
Proprietor
Membership No.: 040166

A. H. Dawoodani
Managing Director

S.A. Dawoodani
Director

Place : Mumbai
 Date : 30th May 2016

Place : Mumbai
 Date : 30th May 2016

LIME CHEMICALS LIMITED

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

Particulars		Note No.	For the year ended	For the year ended
			31st March, 2016	31st March, 2015
			Amount(In Rs.)	Amount(In Rs.)
CONTINUING OPERATIONS				
1	Revenue from Operations (net)	20	282,128,107	191,757,018
	Other Income	21	4,027,151	40,976,982
	Total Revenue		286,155,258	232,734,000
2	Expenses			
	Cost of Materials Consumed	22	150,316,630	105,081,583
	Purchases of Traded Goods	23	1,463,647	-
	Changes in Inventories	24	(29,124)	(862,752)
	Employee Benefits Expense	25	17,655,252	28,913,156
	Finance Costs	26	1,806,553	10,548,177
	Depreciation and Amortisation Expense	11	6,935,236	7,115,733
	Other Expenses	27	72,918,986	68,301,657
	Total Expenses		251,067,180	219,097,554
3	Profit / (Loss) before exceptional and extraordinary items and tax		35,088,078	13,636,446
4	Exceptional items		-	-
5	Profit / (Loss) before extraordinary items and tax		35,088,078	13,636,446
6	Extraordinary items		-	-
3	Profit / (Loss) before Tax		35,088,078	13,636,446
4	Tax Expense:			
	(a) Current Tax		-	-
	(b) Deferred Tax		2,347,558	4,042,329
			2,347,558	4,042,329
5	Profit / (Loss) for the year		32,740,521	9,594,117
6	Earnings per share (Face Value of `10/- each):			
	Basic		10.05	2.95
	Diluted		9.95	2.92
	Significant Accounting Policies and Notes on Accounts	1-46		

As Per Our Attached Report Of Even Date
For A. N. Damania & Co.
Chartered Accountants
Firm Reg No : 102077W

For and on behalf of the Board of Directors

M. M. Gadgil
Chairman

Ashvin Damania
Proprietor
Membership No.: 040166

A. H. Dawoodani
Managing Director

S.A. Dawoodani
Director

Place : Mumbai
 Date : 30th May 2016

Place : Mumbai
 Date : 30th May 2016

LIME CHEMICALS LIMITED

Cash Flow Statement for the year ended 31st March 2016

(Amount in Rs.)				
PARTICULARS	2015-16	2015-16	2014-15	2014-15
A. Cash flows from operating activities				
Net profit/(loss) before taxation		35,088,078		13,636,446
<u>Adjustments for:</u>				
Depreciation	6,935,236		7,115,733	
Miscellaneous Expenditure written off	-		-	
Interest on borrowings	1,806,553		10,548,177	
Interest income	(188,281)		(658,766)	
Dividend Income	-		-	
Total		8,553,508		17,005,144
Operating profit before working capital changes		43,641,586		30,641,590
<u>Adjustments for:</u>				
Increase / (Decrease) in Other Long Term Liabilities	(14,569,346)		65,319,815	
Increase / (Decrease) in Long Term Provisions	5,532,438		(2,056,956)	
Increase / (Decrease) in Other Current Liabilities & Trade Payables	(12,704,730)		(133,697,677)	
Increase / (Decrease) in Short Term Provisions	(7,274,934)		6,718,546	
(Increase)/ Decrease in Long Term Loans & Advances	1,112,794		(233,868)	
(Increase)/ Decrease in Other Non Current Assets	7,144,356		(6,855,368)	
(Increase)/ Decrease in Inventories	(2,822,065)		(830,390)	
(Increase)/ Decrease in Trade Receivables	(18,185,358)		1,095,013	
(Increase)/ Decrease in Short Term Loans & Advances	(778,320)		874,171	
(Increase)/ Decrease in Other Current Assets.	461,622		(450,000)	
Total		(42,083,542)		(70,116,713)
Cash generated from operations		1,558,044		(39,475,124)
Less : Taxes paid (net of refunds)		-		-
Cash flow before extraordinary item		1,558,044		(39,475,124)
Add/ Less: Extra-ordinary items		-		-
Net cash from operating activities (A)		1,558,045		(39,475,123)
B. Cash flows from investing activities				
Purchase of fixed assets and addition to Capital Work in Progress	(10,074,224)		(8,139,304)	
Sale of Fixed asset	-		-	
Interest received (Net of TDS)	188,281		658,766	
Dividend Income	-		-	
		(9,885,943)		(7,480,538)
Net cash used for investing activities (B)		(9,885,942)		(7,480,537)
C. Cash flows from financing activities				
Repayment of Long Term Borrowings	12,207,385		61,219,039	
Repayment of Short Term Borrowings	-		(22,486,081)	
Allotment Money Received	375		-	
Interest paid	(1,806,553)		(10,548,177)	
		10,401,207		28,184,781
		10,401,207		28,184,781
Cash Flow From Extraordinary Item		0		18022019.86
Net cash from financing activities (C)		10,401,208		46,206,802
Net increase in cash and cash equivalents (A+B+ C)		2,073,311		(748,858)
Cash and cash equivalents at beginning of period		2,667,069		3,415,927
Cash and cash equivalents at end of period		4,740,381		2,667,069

As Per Our Attached Report Of Even Date
For A. N. Damania & Co.
Chartered Accountants
Firm Reg No : 102077W

For and on behalf of the Board of Directors

M. M. Gadgil
Chairman

A. H. Dawoodani
Managing Director

S.A. Dawoodani
Director

Ashvin Damania
Proprietor
Membership No.: 040166

Place : Mumbai
 Date : 30th May 2016

Place : Mumbai
 Date : 30th May 2016

LIME CHEMICALS LIMITED

Corporate Information

The Company is engaged in the manufacturing Calcium Carbonate. It is used as input material in various industrial sectors including Tooth Paste, Pharmaceuticals, PVC products, Rubber, Plastic, Polymer, Cable, Leather, Paper and Paints.

Significant Accounting Policies Forming Part of Financial Statements for the year ended 31st March 2016

A Basis of Preparation of Financial Statements

The accounts have been prepared on the accrual basis of accounting, under historical cost convention and in accordance with the generally accepted accounting principles to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act"), read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of "the Act", except where otherwise stated. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

B Use of Estimates

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

C Fixed Assets (Tangible) and Depreciation

Fixed Assets are carried on at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost comprise purchase price, all direct expenses relating to the acquisition and installation and any attributable cost of bringing the asset to its working condition for the intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation has been provided on straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Assets costing less than ` 5,000/- each are fully depreciated in the year of capitalisation.

D Fixed Assets (Intangible) and Amortization

Intangible Assets are stated at cost of acquisition less accumulated amortization. Intangible Assets are amortized over a period of 5 years on straight line basis.

E Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

F Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction. Monetary items denominated in foreign currencies at the year end are restated at year end rates. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

G Investments

Investments intended to be held for more than one year are classified as non-current investments and are carried at cost of acquisition inclusive of other attributable expenses. Diminution in the value of such investments is written off / provided for, as the case may be if such diminution is of other than temporary nature. Current Investments are carried at lower of cost or net realizable value.

H Inventories

Inventories are valued at cost (FIFO) or net realizable value whichever is less. Cost comprises all cost of purchase, cost of conversion, and cost incurred to bring inventories to present location and condition. Finished goods valuation include appropriate proportion of overheads and, where applicable, excise duty.

LIME CHEMICALS LIMITED

I Revenue Recognition

Revenue is recognised to the extent that it can be reliable, measured and is appropriate to the economic benefits that will flow to the company. Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Export benefits are accounted when realized / received. Dividend income is recognized when right to receive is established.

J Employee Benefits

The Company's contribution to Provident fund is charged to the Statement of Profit and Loss. The Gratuity and Leave Encashment liability, which are defined benefit plans, are provided on the basis of actuarial valuation as on balance sheet date and same are unfunded.

K Borrowing Cost

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

L Leases

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment. Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year. Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

M Cash Flow Statement

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

N Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

O Provision for Taxation

Provision for taxation is made for the income tax liability as per the provisions of the Income Tax Act, 1961. Deferred Tax is recognized on timing differences being the differences between the taxable incomes and accounting incomes that originate in one period and are capable of reversal in one or more subsequent period, at the current rate of tax. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

P Provisions, Contingent Liabilities and Contingent Assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognized nor disclosed in the financial statements.

LIME CHEMICALS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March 2016

Note 2 Share Capital

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	Amt in (Rs.)	Number of shares	Amt in (Rs.)
(a) Authorised				
Equity shares of ₹10/- each with voting rights	7,500,000	75,000,000	7,500,000	75,000,000
(b) Issued				
Equity shares of ₹10/- each with voting rights	3,290,276	32,902,760	3,290,276	32,902,760
(c) Subscribed and Fully Paid-up				
Equity shares of ₹10/- each with voting rights	3,227,528	32,275,280	3,227,378	32,273,780
Total	3,227,528	32,275,280	3,227,378	32,273,780
(d) Subscribed but not Fully Paid up				
Equity shares of ₹10/- each with voting rights	62,748	627,480	62,898	628,980
Less: Calls in Arrears				
Equity shares of ₹10/- each with voting rights	62,748	336,380	62,898	336,755
		291,100		292,225
Total Share Capital		32,566,380		32,566,005
(i) Details of shares held by each shareholder holding more than 5% shares				
Class of shares / Name of shareholder	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	% holding	Number of shares	% holding
Equity shares with voting rights				
A. H. Dawoodani	663,912	20.18%	663,912	20.18%
S. A. Dawoodani	365,467	11.11%	366,467	11.11%
(ii) Reconciliation of the number of shares with voting rights and amount outstanding at the beginning and at the end of the reporting period:				
Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	Rupees	Number of shares	Rupees
Subscribed & Fully Paid up				
Equity Shares at the beginning of the year	3,227,378	32,273,780	3,227,378	32,273,780
Add : Shares issued on receipt of calls in arrears	150	1,500	-	-
Less : Shares cancelled	-	-	-	-
Equity Shares at the end of the year	3,227,528	32,275,280	3,227,378	32,273,780
Subscribed but not Fully Paid up				
Equity Shares at the beginning of the year	62,898	292,225	62,898	292,225
Add : Shares issued	-	-	-	-
Less : Shares transferred to fully paid up	150	1,125	-	-
Equity Shares at the end of the year	62,748	291,100	62,898	292,225
(iii) Details of calls unpaid				
Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	Rupees	Number of shares	Rupees
Equity shares with voting rights				
Aggregate of calls unpaid *				
- by others	62,748	336,380	62,898	336,755
* Pertains to financial year 2004-05				

LIME CHEMICALS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March 2016

Note 3 Reserves and Surplus

Particulars	As at 31st March, 2016 Amount (In Rs.)	As at 31st March, 2015 Amount (In Rs.)
(a) Capital Reserve		
Opening Balance	22,225	1,722,225
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing Balance	22,225	1,722,225
(b) Securities Premium Account		
Opening Balance	30,581,351	30,581,351
Add : Premium on shares issued during the year	-	-
Less : Utilised during the year	-	-
Closing Balance	30,581,351	30,581,351
(c) General Reserve		
Opening Balance	142,161,766	125,466,268
Add :Addition during the Year :	-	18,022,020
Less: Utilised / transferred during the year For FA	-	1,326,522
Closing Balance	142,161,766	142,161,766
(d) State Subsidy Reserve		
Opening Balance	4,486,000	2,786,000
Add: Additions / transfers during the year	-	-
Less: Utilisations / transfers during the year	-	-
Closing Balance	4,486,000	2,786,000
(e) Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	(578,886,724)	(588,480,841)
Add: Profit / (Loss) for the year	32,740,521	9,594,117
Closing Balance	(546,146,203)	(578,886,724)
Total	(368,894,856)	(401,635,381)

LIME CHEMICALS LIMITED

Note 4: Long-Term Borrowings

Particulars		As at 31st March, 2016 Amount(In Rs.)	As at 31st March, 2015 Amount(In Rs.)
(a) Term Loans			
From Other Parties			
Secured		1,272,943	253,342
Unsecured			
(b) Deferred Payment Liabilities			
Secured		-	-
Unsecured		25,588,820	25,588,820
(c) Deposits			
Secured		-	-
Unsecured		2,750,000	2,750,000
(d) Loans and advances from related parties			
Secured		-	-
Unsecured		289,412,948	278,225,163
(e) Long-term maturities of Public Deposit			
Secured		-	-
Unsecured		-	-
(e) Other Loans			
Secured		-	-
Unsecured		-	-
Total		319,024,711	306,817,326
Default Statement :			
Particulars	Period of Default Year	As at 31st March, 2016 Amount (In Rs.)	As at 31st March, 2015 Amount (In Rs.)
Term loans from other parties			
Secured			
Principal	From 2007-08 to 2015-16	253,342	253,342
Interest	From 2007-08 to 2015-16	3,743,399	3,743,399
Deferred payment liabilities			
Unsecured			
Principal	From 2007-08 to 2015-16	25,588,820	25,588,820
Interest		-	-
Deposits			
Unsecured			
Principal	From 2011-12 to 2015-16	2,750,000	2,750,000
Interest	From 2011-12 to 2015-16	-	-
		32,335,561	32,335,561

LIME CHEMICALS LIMITED

Note 5: Deferred Tax Liabilities (Net)		
Particulars	As at 31st March, 2016 Amount(In Rs.)	As at 31st March, 2015 Amount(In Rs.)
Deferred Tax Liabilities		
On account of timing difference in depreciation	15,347,619	13,000,061
Deferred Tax Assets		
Provision for Gratuity & Employee Benefits	-	-
Provision for Doubtful Debts	-	-
Net	15,347,619	13,000,061
Note 6: Other Long-Term Liabilities		
Particulars	As at 31st March, 2016 Amount(In Rs.)	As at 31st March, 2015 Amount (In Rs.)
Others:		
(i) Trade / security deposits received	584,067	-
(ii) Trade Payables (Other than SSI)	70,964,323	83,143,198
(iii) Trade Payables under MSMED (Other than SSI) (Refer Note 46)	-	1,584,716
(iv) Advances from customers	-	260,000
(v) Other Non Current Liabilities	-	1,129,822
Total	71,548,390	86,117,736
Note 7 : Long-Term Provisions		
Particulars	As at 31st March, 2016 Amount(In Rs.)	As at 31st March, 2015 Amount(In Rs.)
Provision for Employee Benefits:		
(i) Provision for Leave Encashment	1,041,162	1,176,810
(ii) Provision for Gratuity	1,570,775	1,408,554
(iii) Provision for VRS	5,505,865	-
Total	8,117,802	2,585,364
Note 8 Trade Payables		
Particulars	As at 31st March, 2016 Amount(In Rs.)	As at 31st March, 2015 Amount (In Rs.)
Under MSMED (Refer Note 46)	375,459	504,672
Others	48,420,132	45,796,273
Total	48,795,591	46,300,945

LIME CHEMICALS LIMITED

Note 9 Other Current Liabilities		
Particulars	As at 31st March, 2016 Amount(In Rs.)	As at 31st March, 2015 Amount(In Rs.)
Current maturities of long-term debt	366,294	-
Current maturities of finance lease obligations	-	-
Interest Accrued and due on Borrowings	3,974,399	3,918,184
Interest accrued and due on Public Deposit	-	-
Unclaimed Deposits	5,000	5,000
Application Money received for allotment pending for Refund	-	20,300
Other Payables	-	-
Statutory Dues	62,932,455	65,338,677
Security/Trade deposits received	-	84,067
Advances from Customers	-	-
Other Expenses Payable	-	-
Overdrawn Bank Balances	2,345,440	15,456,735
Total	69,623,587	84,822,963
Note 10: Short-Term Provisions		
Particulars	As at 31st March, 2016 Amount(In Rs.)	As at 31st March, 2015 Amount(In Rs.)
Provision for Employee Benefits:		
Provision for Bonus	545,670	338,983
Provision for Leave Encashment	60,859	118,549
Provision for Gratuity	85,904	82,033
Provision for VRS	174,310	7,710,977
Provision for Exgratia/Incentive	128,600	
Provision - Others:		
Provision for Tax (net of advance tax)	1,322,880	1,342,615
Total	2,318,223	9,593,157

Notes forming part of the Financial Statements for the year ended 31st March 2016

Note : 11 Fixed Assets

Amount in Rs.

SR. NO.	ASSETS	GROSS BLOCK				DEPRECIATION				NET BOOK		
		AS AT 1/4/2015	ADDITIONS DURING	DELETION/ DISPOSAL/	AS AT 31/03/2016	AS ON 1/4/2015	FOR THE YEAR	DELETION/ DISPOSAL/	AS ON 31/03/2016	AS ON 31/03/2016	AS ON 31/03/2015	
A	Tangible Assets											
1	Free Hold Land	7,680	-	-	7,680	-	-	-	-	-	7,680	7,680
2	Lease Hold Land	1,499,442	-	-	1,499,442	-	-	-	295,671	-	1,203,771	1,203,771
3	Building	41,300,198	85,229	-	41,385,427	1,007,114	-	-	21,618,838	-	19,766,589	20,688,474
4	Plant & Machinery	320,915,457	8,080,979	3,000,280	325,996,156	4,106,638	3,000,280	-	245,687,344	-	80,308,812	76,334,471
5	Furniture & Fixture	10,872,016	-	-	10,872,016	501,167	-	-	8,361,602	-	2,510,415	3,011,582
6	Vehicles	7,255,832	1,779,275	-	9,035,107	420,149	-	-	7,062,061	-	1,973,047	613,921
7	Office Equipments	11,296,337	305,448	-	11,601,785	262,440	-	-	10,987,937	-	613,849	570,841
8	Electrical Equipments	7,852,508	226,196	-	8,078,704	616,232	-	-	6,857,000	-	1,221,704	1,611,740
	Total	400,999,470	10,477,127	3,000,280	408,476,317	6,913,740	3,000,280		300,870,453		107,605,867	104,042,480
B	Intangible Assets											
1	Computer Software	175,346	-	-	175,346	-	-	-	175,346	-	-	-
2	Website Domain	117,251	-	-	117,251	21,496	-	-	89,892	-	27,359	48,855
	Total	292,597	-	-	292,597	21,496	-	-	265,238	-	27,359	48,855
	Grand Total	401,292,067	10,477,127	3,000,280	408,768,914	6,935,236	3,000,280		301,135,691		107,633,226	104,091,335
	Previous Year	394,533,507	8,085,084	1,326,522	401,292,069	7,115,733	-	-	297,200,735	-	104,091,335	104,448,506

LIME CHEMICALS LIMITED

Note 12 Non-Current Investments		
Particulars	As at 31st March, 2016 Amount(In Rs.)	As at 31st March, 2015 Amount(In Rs.)
Other Investments		
Investment in equity instruments		
Quoted		
In Other Entities		
Fully Paidup		
60 (P.Y. 60) Equity Shares of ₹10/- each of Reliance Industries Ltd.	1,000	1,000
6,300 (P.Y. 6,300) Equity Shares of ₹10/- each of Lloyd Finance Ltd.	260,490	260,490
1,200 (P.Y. 1,200) Equity Shares of ₹10/- each of Development Credit Bank Ltd.	74,400	74,400
8,39,700 (P.Y. 8,39,700) Equity shares of ₹10/- each of Regent Chemicals Ltd.	1	1
5,000 (P.Y. 5,000) Equity Shares of ₹10/- each of Goldcrest Corporation Ltd.	50,000	50,000
Unquoted		
Fully Paidup		
In Associates		
3,14,750 (P.Y. 3,14,750) Equity Shares of ₹10/- each Silvo Liacal Chemicals Ltd.	3,005,700	3,005,700
In Other Entities		
250 (P.Y. 250) Equity Shares of ₹30/- each Bombay Mercantile Co-op Bank Ltd.	7,500	7,500
Total	3,399,091	3,399,091
Less: Provision for diminution in value of investments	3,309,888	3,309,888
Net	89,203	89,203
Foot Note :		
Aggregate amount of quoted investments	125,400	125,400
Aggregate amount of listed but not quoted investments	260,491	260,491
Aggregate market value of listed and quoted investments	303,205	326,270
Aggregate amount of unquoted investments	3,013,200	3,013,200
Aggregate amount of provision on investments	3,309,888	3,309,888
Note 13 Long-Term Loans and Advances		
Particulars	As at 31st March, 2016 Amount(In Rs.)	As at 31st March, 2015 Amount(In Rs.)
Unsecured, Considered good		
Capital Advances	4,003,200	6,235,200
Advances to Staff	1,255,059	335,923
Security Deposits	4,788,069	5,019,999
Others	432,000	-
Total	10,478,328	11,591,122

LIME CHEMICALS LIMITED

Note 14 Other Non-Current Assets		
Particulars	As at 31st March, 2016 Amount(In Rs.)	As at 31st March, 2015 Amount(In Rs.)
Long Term Trade Receivables		
Unsecured, Considered good	6,226,918	13,382,897
Accruals		
Interest Accrued	11,622	-
Total	6,238,540	13,382,897
Note 15 Inventories		
Particulars	As at 31st March, 2016 Amount(In Rs.)	As at 31st March, 2015 Amount(In Rs.)
Raw Materials	5,725,563	2,754,138
Finished Goods	2,049,279	2,020,155
Stock-in-trade	-	-
Stores and Spares	9,145,037	9,867,218
Packing Material	1,337,992	794,294
Total	18,257,870	15,435,805
Note 16 Trade Receivables		
Particulars	As at 31st March, 2016 Amount (In Rs.)	As at 31st March, 2015 Amount (In Rs.)
More than Six months		
Unsecured, Considered good	11,490,732	1,422,960
Less than Six months		
Unsecured, Considered good	36,036,240	27,918,654
Total	47,526,971	29,341,615
Note 17 Cash and Cash Equivalents		
Particulars	As at 31st March, 2016 Amount (In Rs.)	As at 31st March, 2015 Amount (In Rs.)
Balances with banks		
In Current Accounts	2,088,122	709,651
In Deposit Accounts (Margin Money against LC/BG)	1,813,207	1,572,778
Cash on Hand	839,052	384,640
Total	4,740,381	2,667,069
Note 18 Short-Term Loans and Advances		
Particulars	As at 31st March, 2016 Amount (In Rs.)	As at 31st March, 2015 Amount (In Rs.)
Security Deposits		
Unsecured, Considered good	200,500	-
Loans and Advances to Employees /Others		
Unsecured, Considered good	1,469,510	976,113
Prepaid Expenses		
Unsecured, Considered good	454,332	369,909
Total	2,124,342	1,346,022

LIME CHEMICALS LIMITED

Note 19 Other Current Assets		
Particulars	As at 31st March, 2016 Amount(In Rs.)	As at 31st March, 2015 Amount(In Rs.)
Interest Accrued on Deposits	-	11,622
Other Receivables	-	450,000
Total	-	461,622

Notes forming part of the Financial Statements for the year ended 31st March 2016		
Note 20 Revenue from Operations		
Particulars	For the year ended 31st March, 2016 Amount(In Rs.)	For the year ended 31st March, 2015 Amount(In Rs.)
Sale of Products		
Manufactured Goods (Calcium Carbonate)		
- Domestic Sales	302,376,691	207,568,099
- Export Sales	2,170,800	-
Traded Goods		
- Domestic Sales	1,735,732	-
	306,283,223	207,568,099
Other Operating Revenues		
Job Work Charges	270,251	198,199
Other Operating Revenues	270,251	198,199
	306,553,474	207,766,298
Less: Excise Duty	24,425,367	16,009,280
Total	282,128,107	191,757,018

Note 21 Other Income		
Particulars	For the year ended 31st March, 2016 Amount(In Rs.)	For the year ended 31st March, 2015 Amount(In Rs.)
Interest Income	188,281	658,766
Liabilities Written Back (Interest on account of OTS)	-	34,408,000
Proceeds from Scrape and Stores	3,000,280	-
Rent	-	450,000
Duty Drawback	20,029	-
Miscellaneous Income	-	919,448
Discount Received	567,336	-
Exchange Rate Difference	-	54,287
Other Liabilities Written Back	251,225	4,486,480
Total	4,027,151	40,976,982

Note 22 Cost of Materials Consumed		
Particulars	For the year ended 31st March, 2016 Amount(In Rs.)	For the year ended 31st March, 2015 Amount(In Rs.)
Opening Stock	2,754,138	2,169,334
Add: Purchases	153,288,055	105,666,387
	156,042,193	107,835,720
Less: Closing Stock	5,725,563	2,754,138
Cost of Material Consumed	150,316,630	105,081,583

LIME CHEMICALS LIMITED

Note 23 Purchase of Traded Goods		
Particulars	For the year ended 31st March, 2016 Amount (In Rs.)	For the year ended 31st March, 2015 Amount(In Rs.)
Charcoal	1,463,647	-
	1,463,647	-
Note 24 Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Particulars	For the year ended 31st March, 2016 Amount(In Rs.)	For the year ended 31st March, 2015 Amount(In Rs.)
Inventories at the beginning of the year:		
Finished Goods	2,020,155	1,157,403
Work-in-progress	-	-
Stock-in-trade	-	-
	2,020,155	1,157,403
Inventories at the end of the year:		
Finished Goods	2,049,279	2,020,155
Work-in-progress	-	-
Stock-in-trade	-	-
	2,049,279	2,020,155
Total	(29,124)	(862,752)
Notes forming part of the Financial Statements for the year ended 31st March 2016		
Note 25 Employee Benefits Expense		
Particulars	For the year ended 31st March, 2016 Amount(In Rs.)	For the year ended 31st March, 2015 Amount(In Rs.)
Salaries and Wages		
-Directors	-	-
-Others	16,741,854	27,925,001
Contributions to Provident and Other Funds		
-Directors	-	-
-Others	319,374	260,102
Gratuity		
-Others	-	-
Staff Welfare Expenses	594,023	728,053
Total	17,655,252	28,913,156
Note 26 Finance Costs		
Particulars	For the year ended 31st March, 2016 Amount(In Rs.)	For the year ended 31st March, 2015 Amount(In Rs.)
Interest	461,035	1,820,320
- Interest on delayed / deferred payment of statutory dues	1,159,330	7,248,494
Interest on delayed/deferred payment of statutory dues		
- Others	186,188	1,479,363
Penalty		
Total	1,806,553	10,548,177

LIME CHEMICALS LIMITED

Note 27 Other Expenses		
Particulars	For the year ended 31st March, 2016 Amount(In Rs.)	For the year ended 31st March, 2015 Amount(In Rs.)
Advertisement	69,693	93,450
Consumption of Stores and Spare Parts	1,781,358	1,251,089
Consumption of Packing Materials	11,712,572	7,732,079
Power and Fuel	18,834,244	14,910,723
Water	510,393	467,925
Labour Charges	1,667,141	2,015,348
Loading & Unloading Exp.	436,538	268,893
Rent including Lease Rentals	1,565,799	1,651,576
Repairs and Maintenance - Buildings	-	164,398
Repairs and Maintenance - Machinery	2,334,701	774,654
Repairs and Maintenance - Others	2,060,529	1,508,711
Insurance	188,563	236,855
Rates and Taxes	1,202,179	1,234,515
Export/Import Expenses	840,350	322,467
Telephone and Postage	1,175,026	1,464,387
Travelling and Conveyance	3,339,949	4,719,828
Printing and Stationery	338,699	369,751
Freight and Forwarding	13,523,725	17,545,835
Factory Expenses & Office Expenses	4,725,445	3,333,171
Fees & Subscription A/c	436,290	272,038
Sales Commission	629,000	528,400
Sales Discount	832,063	1,205,484
Business Promotion	49,887	342,664
Bank Charges & Commission	606,000	685,272
Donations and Contributions	-	7,805
Legal and Professional	1,162,264	2,065,486
Payments to Auditors (Refer foot note (i) below)	350,000	350,000
Bad Trade and Other Receivables, Loans and Advances Written Off	316,276	164,756
Net (gain) / loss on Foreign Currency Transactions and translation	23,961	22,509
Prior Period Items (net) (Refer foot note (ii) below)	1,029,033	1,692,587
Security Expenses	1,177,307	
Miscellaneous Expenses	-	899,000
Total	72,918,986	68,301,657
Notes forming part of the Financial Statements for the year ended 31st March 2016		
Foot Notes:		
Particulars	For the year ended 31st March, 2016 Amount(In Rs.)	For the year ended 31st March, 2015 Amount(In Rs.)
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As Auditors	300,000	300,000
For company law matters	-	-
For management services	-	-
For taxation matter	50,000	50,000
Reimbursement of expenses		
	350,000	350,000

LIME CHEMICALS LIMITED

(ii) Details of Prior period items (net)		
Prior period expenses		
Service Tax	198,964	-
Employees Share of PF	56,154	-
Interest	95,811	-
Telephone & Communication	4,540	55,024
Medical Exps	19,670	-
Commission on Sale	-	94,000
Bonus	43,812	-
Leave Travel Allowance	56,646	-
Sundry Expenses	88	6,638
Water Charges	-	37,967
Electricity Expenses	6,176	-
Advertisement	-	10,000
Professional Fees & Reimbursement	19,636	53,782
Repairs & Maintenance	19,074	68,600
Interest on Delayed Payment	600,000	1,318
Membership & Subs	-	42,825
Stationery & Printing	-	20,506
Travelling Expenses	-	45,030
Sales Tax	3,055	425,298
PF Employer Share	15,600	689,410
LC Opening Account	-	67,362
Property Tax	-	173,489
Central Excise	-	52,015
	1,139,227	1,843,264
Prior Period Income		
Telephone & Communication	7,833	-
Professional Fees	102,360	
Outstanding Liability	-	3,297
Sundry Income	-	147,380
	110,193	150,677
Net	1,029,033	1,692,587

LIME CHEMICALS LIMITED

28. Contingent Liabilities	As at 31st March, 2016 Rupees	As at 31st March, 2015 Rupees
Corporate Guarantees issued to Bank U.S. \$2.20 Million (P.Y. U.S. \$ 2.20 Million)	145,932,380	137,699,760
Disputed Income Tax Demand	51,086,650	45,359,650
Disputed Sales Tax Demand	65,922,076	32,713,243
Disputed Central Excise	3,873,515	-
Disputed Employees P.F.	7,267,093	7,267,093
Interest under MSMED Act	839,493	603,861
Disputed Profession Tax Demand	872,555	872,555
Total	275,793,762	224,516,162
No provision is presently considered necessary for above mentioned various tax demands which are under various stages of appeal as the Company is of the view that the said demands are not sustainable in law.		
29. The overdue statutory dues are as follows		
	As at 31st March, 2016 Rupees	As at 31st March, 2015 Rupees
Particulars	Rupees	Rupees
Staff Profession Tax	87,650	69,950
Provident Fund	4,340,480	6,269,204
Employees State Insurance Scheme	1,528,247	1,515,972
Sales Tax Payable	55,456,453	55,826,477
Income Tax/TDS	222,197	409,086
Excise/Service Tax	801,170	905,071
Gram Panchayat Tax	216,198	108,099
Property Tax	157,919	266,018
Total	62,810,314	65,369,877
30. The company is engaged in manufacturing of Calcium Carbonate which is considered the only reportable business segment, as per Accounting Standard 17 -'Segment Reporting'; hence segment reporting is not given.		
31. Related party disclosure as required by Accounting Standard 18 "Related Party Disclosures" are given below:		
a) Name of related parties and description of relationship:		
1) Associates:		
SilvoLiacal Chemicals Ltd.		
Diamond Jubilee Stores		
Pearl Enterprises		
Himachal Polylefins Ltd.		
Sahid Investment & Trading Company Pvt. Ltd.		
2) Key Managerial Personnel:		
Shri A. H. Dawoodani		
Smt. S. A. Dawoodani		
Shri Akbar Ali Virani		
Shri Sadruddin Jiwani		
3) Relative of Key Managerial Personnel (KMP):		
Shri Hussein Dawoodani (Father of Shri A. H. Dawoodani)		
Shri Rahim A. Dawoodani (Son of Shri A. H. Dawoodani)		
Miss. Zahara A. Dawoodani (Daughter of Shri A. H. Dawoodani)		
Note: Related parties have been identified by the Management.		

LIME CHEMICALS LIMITED

Details of related party transactions during the year ended 31 March, 2016 and balances outstanding as at 31 March, 2016:				
Nature of Transaction	Associates	KMP	Relatives of KMP	Total
	Rupees	Rupees	Rupees	Rupees
Purchases of Goods	24,697,326	-	-	24,697,326
	<i>7,529,016</i>	-	-	<i>7,529,016</i>
Sale of Goods	62,760,446	-	-	62,760,446
	<i>40,523,842</i>	-	-	<i>40,523,842</i>
Rent Paid	360,000	-	-	360,000
	<i>360,000</i>	-	-	<i>360,000</i>
Rent Received	-	-	-	-
	<i>450,000</i>	-	-	<i>450,000</i>
Investments				
Opening Balance	3,005,700	-	-	3,005,700
	<i>3,005,700</i>	-	-	<i>3,005,700</i>
Purchases During the Year	-	-	-	-
	-	-	-	-
Closing Balance	3,005,700	-	-	3,005,700
	<i>3,005,700</i>	-	-	<i>3,005,700</i>
Loans Taken				
Opening Balance	4,953,481	273,271,682	-	278,225,163
	<i>5,874,412</i>	<i>145,642,971</i>	<i>7,497,653</i>	<i>159,015,036</i>
Add: Taken During the Year	41,640,882	21,294,648	-	62,935,530
	<i>463,000</i>	<i>136,386,549</i>	-	<i>136,849,549</i>
Less: Repaid During the Year	3,258,630	48,489,115	-	51,747,745
	<i>1,383,931</i>	<i>8,757,838</i>	<i>7,497,653</i>	<i>17,639,422</i>
Closing Balance	43,335,733	246,077,215	-	289,412,948
	<i>4,953,481</i>	<i>273,271,682</i>	-	<i>278,225,163</i>
Note : Figures in italics relates to the previous year.				

LIME CHEMICALS LIMITED

Particulars	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
32. Earnings per share		
Basic		
Net profit for the year (₹)	32,740,521	9,594,117
Weighted average number of equity shares (No.)	3,256,638	3,256,600
Par value per share (₹)	10	10
Earnings per share (₹)	10.05	2.95
Diluted		
Net profit for the year (₹)	32,740,521	9,594,117
Weighted average number of equity shares (No.)	3,290,276	3,290,276
Par value per share (₹)	10	10
Earnings per share (₹)	9.95	2.92
33. Earnings in Foreign Exchange		
FOB value of exports	2,170,800	-
34. Value of Imports calculated on C.I.F basis in respect of		
Lime Stone	20,125,205	7,197,917
35. Defined Benefit Plans		
The Employee's Gratuity Fund Scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined 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 build up the final obligation.		

a) Reconciliation of opening and closing balances of defined benefit obligation Gratuity				
	Gratuity (Un-funded)		Leave Encashment (Un-funded)	
	2015-16	2014-15	2015-16	2014-15
	Rupees	Rupees	Rupees	Rupees
Defined Benefit obligation at beginning of year	1,490,587	2,685,064	1,295,359	2,319,564
Current Service Cost	60,449	147,517	229,370	193,071
Interest Cost	119,247	214,805	103,629	185,565
Actuarial (gain)/loss on obligation	(13,604)	(1,556,799)	(526,337)	(1,402,841)
Defined Benefit obligation at year end	1,656,679	1,490,587	1,102,021	1,295,359
b) Reconciliation of fair value of assets and obligations				
Present value of obligation	1,656,679	1,490,587	1,102,021	1,295,359
Amount recognized in Balance sheet	1,656,679	1,490,587	1,102,021	1,295,359
c) Expenses recognized during the year				
Current Service Cost	60,449	147,517	229,370	193,071
Interest Cost	119,247	214,805	103,629	185,565
Actuarial (gain)/loss	(13,604)	(1,556,799)	(526,337)	(1,402,841)
Net Cost	166,092	(1,194,477)	(193,338)	(1,024,205)

LIME CHEMICALS LIMITED

d) Actuarial Assumptions				
Discount Rate	8%	8%	8%	8%
Rate of increase in Compensation levels	10%	10%	10%	10%
The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.				
36. The balance due to / from parties are subject to confirmation.				
37. No provision for Income tax under MAT, for the current year is made as the Company is registered with BIFR as a sick Company.				
38. The Company is registered as a sick Industrial Company with the Board for Industrial and Financial Reconstruction (BIFR) under the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). As directed by BIFR, Bank of Baroda, the Operating Agency (O.A.) to submit fully tied up Draft Rehabilitation Scheme (DRS) to BIFR.				
39. The company continues to disclose its results on the concept of going concern in spite of the fact of erosion of 100% of its net worth. The Company relies on the possible outcome of the BIFR application and one time settlement reached with lender banks/financial institutions and creditors.				
40. During the year the Company has sold plants certified as scrap by Chartered Engineer whose written down value was Rs.Nil as at 01/04/2015 for a consideration of `30 lac.				
41. In the opinion of Board of Directors all assets other than non-current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated and the provisions for all known liabilities are adequate and not in excess of the amounts reasonably necessary.				
42. No personal expenses have been debited to Profit and Loss Account except those payable under contractual obligation or normal business practices.				
43. The Company has identified the information as required under the Micro, Small and Medium Enterprise Development Act, 2006 of only two parties. Since the amount payable to such parties is under dispute, the management has decided not to provide for interest amounting to `8.39 lac payable thereon during the year.				

44. Details under MSMED Act, 2006	As at 31st March, 2016	As at 31st March, 2015
	Rupees	Rupees
Principal amount due to suppliers and remaining unpaid as at year end	1,809,658	2,089,388
Interest due to suppliers not provided	839,493	603,861
Principal amount paid to suppliers beyond the appointed day during the year	350,517	508,345
45. The Company has accumulated losses and unabsorbed depreciation as on 31-3-2016. Also, the Company has registered itself under BIFR. Considering the same and in the absence of virtual certainty about future profit earning, no provision for deferred tax asset is made in the books as per AS 22- 'Taxes on Income'.		
46. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.		

LIME CHEMICALS LIMITED

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(CIN L24100MH1970PLC014842)Email: info@limechem.com; Website: www.limechem.com; Phone: 022-27561976

PROXY FORM

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

Name of the member(s).	E-mail Id:
Registered address:	Folio/Client Id:
	DP D:

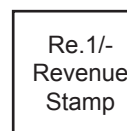
I/We, being the member(s) ofShares of the above named company, hereby appoint:

- 1)ofhaving e-mail id.....or failing him
- 2)ofhaving e-mail id.....or failing him
- 3).....ofhaving e-mail id.....or failing him

And whose signature(s) are appended below, as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 46th Annual General Meeting of the Company, to be held on 30th September 2016 at 10.30 a.m at Husami Hall, 119/127, Dr. Mascarenhas Road, Unit No.3, 1st Floor, Opp: Development Credit Bank Ltd., Anjir Wadi, Mazgaon, Mumbai – 400 010 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No.	Resolutions
	Ordinary Resolutions
1	Adoption of Audited Financial Statements for the year ended 31 st March 2016
2	Re-appointment of Mrs. Shahnaz A. Dawoodani, who retires by rotation
3	Re-appointment of Mr. Mr. Sadruddin Jiwani, who retires by rotation
4	Appointment of M/s. A.N. Damania & Co., Chartered Accountants, as Auditors of the Company
	Special Business
5	Re-appointment of Mr. Ahmed H. Dawoodani as Managing Director
6	Increase of borrowing limit upto Rs. 75 crores over and above the paid up capital
7	Increase in mortgage of Company's assets upto Rs. 75 crores
8	Related party transactions upto Rs. 40 crores in a year

Signed this _____ day of _____ 2016



Signature of Shareholder _____ Signature of Proxy holder _____

Notes:

1. A Proxy need not be a member of the Company
2. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a singly person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.

LIME CHEMICALS LIMITED

LIME CHEMICALS LIMITED

Registered Office: Light House Building, Ground Floor, Sitaphalwadi, Mazgaon, Mumbai – 400 010
(CIN L24100MH1970PLC014842)Email: info@limechem.com; Website: www.limechem.com; Phone: 022-27561976

ATTENDANCE SLIP

46thAnnual General Meeting on Friday, 30th September 2016

Registered Folio/ DP ID & Client ID	
Name and address of the Shareholder(s)	
Joint Holder 1 Joint Holder 2	
No. of shares held	

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company, I hereby record my presence at the 46th Annual General Meeting of the Company held Husami Hall, 119/127, Dr. Mascarenhas Road, Unit No.3, 1st Floor, Opp: Development Credit Bank Ltd., Anjir Wadi, Mazgaon, Mumbai – 400 010 at 10.30 a.m. on Friday, 30th September 2016.

Proxy's Name in Block letters

Member's/ Proxy's Signature

NOTES:

1. This Meeting is of Members only and you are requested not to bring with you any person who is not a Member
2. Shareholders/ Proxy holders are requested to bring the attendance slips with them when they come to the Meeting and hand over at the entrance after affixing their signature on them.
3. Shareholders are requested to bring their copy of the Annual Report along with them to the Annual General Meeting, as copies of the Report will not be distributed again at the Meeting.
4. If it is intended to appoint a proxy, the Form of Proxy should be completed and deposited at the Corporate / Registered Office of the Company at least 48 hours before the Meeting.

THROUGH SPEED POST/ COURIER

If undelivered please return to :

LIME CHEMICALS LIMITED
404/405, Neco Chambers, 4th Floor
Plot No.48, Sector-11
Rajiv Gandhi Road,
C.B.D. Belapur (East), Navi Mumbai – 400 614