



SADHANA NITRO CHEM LIMITED

CIN: L24110MH1973PLC016698

Hira Baug, 1st Floor, Kasturba Chowk (C.P. Tank), Mumbai – 400 004

Tel. 022–23865629 Fax 022-23887235 E-Mail: sadhananitro@sncl.com, Website: www.sncl.com

NOTICE OF POSTAL BALLOT

Pursuant to Section 110 of the Companies Act, 2013

NOTICE of Postal Ballot is hereby given pursuant to Section 110 of the Companies Act, 2013 (hereafter referred to as the Act) read with the Rule 22 Companies (Management and Administration), Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof) and Secretarial Standards-2 (SS-2) to transact the following special business by the members of 'Sadhana Nitro Chem Ltd' by passing the Special Resolutions by way of Postal Ballot / e-voting.

The proposed resolutions, along with explanatory statement, setting out the material facts and reasons thereto, are appended below and a postal ballot form is enclosed for your consideration. Mrs. Kumudini Paranjape, Partner of M/s. Makarand M. Joshi & Co., Company Secretaries in Practice has been appointed by your Company to act as scrutinizer for conducting the postal ballot and e-voting process in fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form and Postal Ballot Notice and return the completed Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope (if posted in India), so as to reach the Scrutinizer on or before the close of business hours on 4th January, 2017, being the last date for receipt of the completed Postal Ballot Forms. The postage on the enclosed self-addressed postage prepaid envelope shall be borne and paid by the Company.

E-voting Option

In compliance with Regulation 44 of the SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015 and Section 108 and other applicable provisions of the Act read with related rules (including statutory modification or re-enactment thereof, for the time being in force), we are pleased to offer e-voting facility also as an alternate for our members which would enable you to cast your votes electronically, instead of physical Postal Ballot Form. E-voting is optional and all the members (whether holding share in demat form or physical form) may vote either by completing and dispatching the postal ballot form by post or by e-voting. The Company has engaged the services of National Securities Depository Limited for the purpose of providing e-voting facility to all its members. Please read carefully and follow the instructions on e-voting printed in this Postal Ballot Notice.

The Scrutinizer will submit his report to the Chairman or any other Director of the Company as authorised by the Board, upon completion of scrutiny of postal ballots in a fair and transparent manner and the result of the postal ballot/ e-voting will be announced on or before Thursday, the 5th January, 2017 at the Registered Office of the Company. The result of the postal ballot/e-voting will also be posted on the Company's website www.sncl.com and communicated to the Bombay Stock Exchange Limited (BSE). The date of announcement of result of postal ballot/ e-voting shall be taken to be the date of passing of the resolution.

Items of businesses requiring consent of shareholders through Postal Ballot / e-voting:

1. To approve the Related Party Transaction with Manekchand Panachand Trading Investment Co Private Limited

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

“**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rule, 2014 (including any statutory modifications or re-enactments thereof if any) and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or subsequent modification or re-enactments thereof, if any, and out of abundant caution, the consent of the members of the Company be and is hereby accorded for entering into contract / arrangement / transactions with the following related party from the financial year 2016-17 and onwards upto the maximum amount as mentioned hereunder.

Name of related party	Name of the Director / KMP who is related if any.	Nature of relationship	Nature, material terms, monetary value and particulars of contract or arrangement	Any other relevant information.
Manekchand Panachand Trading Investment Company Private Limited.	Mr. Asit D. Javeri, Mrs. Seema A. Javeri, Mr. Abhishek A. Javeri.	Associate Common Directors / KMP in both the company and / or holding more than 2% of paid-up capital	Availing Guarantee and security for borrowing, Services of information technology, web related and other services for the operations of the Company to the extent of Rs. 2.5 CR Per Annum	-

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle any question / difficulty or doubts that may arise with regards to giving effect to this resolution and to do all such acts, deeds, things as may be necessary in its absolute discretion as it may deem necessary, proper and desirable to finalize any documents and writings related thereto.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any committee of Directors of the Company or to any Directors of the Company or any other officers or employees of the Company as it may consider appropriate in order to give effect to this resolution.”

Registered Office:

Hira Baug, 1st Floor
Kasturba Chowk (C.P. Tank)
Mumbai – 400 004
CIN: L24110MH1973PLC016698

For Sadhana Nitro Chem Limited

Place: Mumbai
Date: 26th October, 2016

N.R. Jani
Company Secretary

NOTES TO THE NOTICE:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 stating all material facts and reasons for the proposed Special Resolution are appended to the Notice. A Postal Ballot Form is also enclosed.
2. The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members / List of Beneficial Owners, received from NSDL as on 25th November, 2016 (Cut-off date) and the voting rights shall be reckoned accordingly.
3. Mrs. Kumudini Paranjape, Partner M/s. Makarand Joshi & Co., Company Secretaries has been appointed as Scrutinizer for conducting postal ballot voting (including e-voting) process in a fair and transparent manner.
4. In compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and provisions of Section 108 and 110 of the Act read with Rule 20 and Rule 22 of Companies (Management and Administration) Rules, 2014, since the business is to be transacted through postal ballot which includes e-voting, the Company is offering e-voting facility to all its members to enable them to cast their votes electronically instead of voting through postal ballot.
Please note that e-voting is optional. **In case a member has voted through e-voting, he/she is not required to send the postal ballot. In case a member votes through e-voting as well as through postal ballot, the voting through e-voting shall be considered and the voting through postal ballot shall be ignored.** NSDL will be facilitating e-voting to enable the members to cast their votes electronically. **The e-voting period shall commence on 5th December, 2016(9:00 a.m.) and ends on 4th January, 2017 (5:00 p.m.).** The detailed procedure of e-voting is appended on the back of the Postal Ballot Form.
5. The members are requested to carefully read the instructions printed on the Postal Ballot Form, record their assent or dissent therein and return the form duly completed, in the attached self-addressed, postage prepaid envelope, so as to reach the Scrutinizer on or before the close of working hours (5.00 p.m.) on 4th January, 2017. The Postal Ballot Form received thereafter will be treated as not to have been received. The Scrutinizer will submit his/her report after completion of the scrutiny of the Postal Ballot Forms (including e-voting) not later than by 5th January, 2017 and the result of the Postal Ballot (including e-voting) will be announced not later than by 5th January, 2017 at the Company's Registered Office at Hira Baug, 1st Floor, Kasturba Chowk (C.P. Tank), Mumbai – 400 004 and hosted on **the website of the Company** www.sncl.com.

6. The Postal Ballot Notice is also being sent to the Directors and Auditors of the Company, to the Secretarial Auditor and wherever applicable or so required, to other specified recipient.
7. Resolutions passed by the members through Postal Ballot are deemed to have been passed effectively at a general meeting of the members. The Special Resolution shall be declared as passed if the number of votes cast in favour of the Special Resolution is not less than three times the number of votes cast against the Special Resolution.
8. The date of declaration of the result shall be deemed to be the date of passing of the said resolution.
9. A Member cannot exercise his / her vote through proxy on Postal Ballot.
10. Unsigned, incomplete, improperly or incorrectly ticked Postal Ballot Form shall be treated as invalid.
11. In case a member is desirous of obtaining a duplicate of printed Postal Ballot Form, he or she may send an e-mail to sadhananitra@sncl.com. The Company shall forward the same along with postage pre-paid self-addressed Business Reply Envelope to the member.
12. The Scrutinizer will submit his/her report to the Chairman or any other Director of the Company as authorised by the Board, after the completion of scrutiny of the Postal Ballots (including e-voting). The result of the Postal Ballot/e-voting will be announced by the Chairman or any other Director of the Company as authorised by the Board, as the case may be, on or before 5th January, 2017 at the Registered Office of the Company and will be intimated to the Stock exchanges where the shares of the Company are listed and will also be displayed on the website of the Company viz., www.sncl.com
13. The postage will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered / speed post at the expense of the members will also be accepted. The Postal Ballot Form may also be deposited personally at the address given on the self-addressed Business Reply Envelope.
14. The Postal Ballot Notice shall be uploaded on the Company's website viz www.sncl.com and on the website of NSDL viz. evoting@nsdl.co.in, on 5th December, 2016.
15. In case of joint-holding, the Postal Ballot Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his/ her absence, by the next named Member.
16. Resolutions passed by the Members through Postal Ballot/e-voting shall be deemed to have been passed as if they have been passed at a General Meeting of the Members
17. The date of declaration of results of the Postal Ballot/e-voting shall be the date on which the resolution shall be deemed to have been passed, if passed by the requisite majority
18. All the material documents referred to in the Explanatory Statement, shall be available for inspection at the Registered Office of the Company during office hours on all working days from the date of dispatch of the Postal Ballot Notice.

1. The instructions for shareholders voting electronically are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

- (i) Open email and open PDF file viz; "evoting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder – Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" (E-voting Event Number) of Sadhana Nitro Chem Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to sadhananitra@sncl.com with a copy marked to evoting@nsdl.co.in

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

(i) Initial password is provided as below/at the bottom of the Postal Ballot Form.

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No.(xii) above, to cast vote.

(iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nSDL.com

(iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

(v) The e-voting period commences on 5th December, 2016 and ends on 4th January, 2017. 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 25th November, 2016, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

EXPLANATORY STATEMENT

Pursuant to Section 102 of the Companies Act, 2013

Item No. 1

The Audit Committee and the Board of Directors of the Company at their respective meeting held on 26th October, 2016 have approved certain transactions to be entered into with some of the related parties of the Company as mentioned hereunder. The Company is entering these transactions with the related parties in the ordinary course of business and at arm's length basis; but out of abundant caution, the approval of the Shareholders by way of Special Resolution is being sought pursuant to second proviso to Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 & Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Information with regard to the related parties and the transactions are mentioned below:-

Name of related party	Name of the Director / KMP who is related if any.	Nature of relationship	Nature, material terms, monetary value and particulars of contract or arrangement	Any other relevant information.
Manekchand Panachand Trading Investment Company Private Limited.	Mr. Asit D. Javeri, Mrs. Seema A. Javeri, Mr. Abhishek A. Javeri.	Associate Common Directors / KMP in both the company and / or holding more than 2% of paid-up capital	Availing Guarantee and security for borrowing, Services of information technology, web related and other services for the operations of the Company to the extent of Rs. 2.5 CR Per Annum	-

None of the Directors and the Key Managerial Personnel of the Company their relatives are concerned or interested, financially or otherwise in the said Special Resolution except the Directors / KMP mentioned above.

The Board of Directors of the Company recommends the resolution as set out above in the accompanied Postal Ballot Notice for the approval of the members by way of Special Resolution.

Registered Office:

Hira Baug, 1st Floor
Kasturba Chowk (C.P. Tank)
Mumbai – 400 004
CIN:L24110MH1973PLC016698

By Order of the Board of Directors
For Sadhana Nitro Chem Limited

Place: Mumbai
Date: 26th October, 2016

N. R. Jani
Company Secretary



SADHANA NITRO CHEM LIMITED

CIN: L24110MH1973PLC016698

Registered Office : Hira Baug, 1st Floor, Kasturba Chowk (C.P. Tank), Mumbai – 400 004

Tel.: 022-23865629 Fax: 022-2388723 E-Mail: sadhananitro@sncl.com Website: www.sncl.com

POSTAL BALLOT FORM

Sr. No. :

- 1) Name and Registered :
Address of the Sole/First
named Shareholder

- 2) Name(s) of the Jt. Holder(s) :
(if any)

- 3) Registered Folio No. / :
DP ID No. and Client ID No.

- 4) Number of Shares(s) held :

I/We hereby exercise my/our vote in respect of the following Resolution to be passed through Postal Ballot for the Special Business stated in the Notice of Postal Ballot dated 26th October, 2016 of Sadhana Nitro Chem Limited (the "Company") by recording my/our assent (FOR) or dissent (AGAINST) to the said Resolutions by placing the tick (✓) mark in the appropriate box below :

Item No.	Resolution	No. of Shares	(For)	(Against)
			I/We assent to the Resolution	I/We dissent to the Resolution
1.	To approve the Related Party Transaction with Manekchand Panachand Trading Investment Co Private Limited.			

Place :

Date :

Signature of Shareholder(s)

Note: Please read the instructions carefully before exercising your vote.

-----Cut Here-----

Electronic Voting Particulars

EVEN (Electronic Voting Event Number)	User ID	*Password
105809		

*USE YOUR PASSWORD SENT BY NSDL

INSTRUCTIONS

- a. Member desiring to exercise vote by Postal Ballot should complete this Postal Ballot Form (no other or photocopy thereof is permitted) and send it to the Scrutinizer, Mrs. Kumudini Paranjape, Partner, Makarand M. Joshi & Co., Practicing Company Secretary. In the enclosed self-addressed and pre-paid postage Business Reply Envelope. Postal Ballot Forms deposited in person or sent by post or courier at the expense of the member will also be accepted.
- b. The self-addressed business reply envelope bears the name and postal address of the Scrutinizer appointed by the Company.
- c. This Form should be completed and signed by the Member (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Member and in his absence, by the next named Member.
- d. In respect of shares held by corporate and institutional members (companies, trusts, societies, etc.), the completed Postal Ballot Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory(ies) duly attested.
- e. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (?) in the appropriate column in the Postal Ballot Form. The assent or dissent received in any other form shall not be considered valid.
- f. Members are requested to fill the Postal Ballot Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
- g. There will be one Postal Ballot Form for every folio / Client id irrespective of the number of joint holders.
- h. Duly completed Postal Ballot Form should reach the Scrutinizer not later than close of working hours i.e. 5.00 P.M. on 4th January, 2017. All Postal Ballot Forms received after this date will be strictly treated as if the reply from such Member has not been received.
- i. A Member may request by sending mail to rnt.helpdesk@linkintime.co.in for a duplicate Postal Ballot Form, if so required, and the same duly completed should reach the Scrutinizer not later than the date specified under instruction No. (h) above.
- j. Member is/are requested not to send any other paper along with the Postal Ballot Form. They are also requested not to write anything in the Postal Ballot Form except giving their assent or dissent and putting their signature. If any such other paper is sent the same will be destroyed by the Scrutinizer.
- k. The Scrutinizer's decision on the validity of a Postal Ballot/ E-voting will be final and binding.
- l. Incomplete, unsigned or incorrectly ticked Postal Ballot Forms will be rejected.
- m. The Scrutinizer will submit his report to the Chairman or any other Director authorised by the Board of the Company after completion of the scrutiny and the result of the voting of the Postal Ballot/e-voting will be announced on 5th January, 2017 at the registered office of the Company. The result will thereafter also be informed to the Stock Exchanges, hosted on the Company's website www.sncl.com for the information of the Members.