

**Date:** October 23, 2023

**To**  
**BSE Limited**  
1st Floor, P.J. Towers,  
Dalal Street, Mumbai — 400001  
Scrip Code: **506642**

**To**  
**National Stock Exchange of India Limited**  
Exchange plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai-400051, India  
Symbol: **SADHNANIQ**

**Subject: Press Release under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

In continuation to our intimation dated November 09, 2022 please find enclosed the Press Release titled "Sadhana Nitro Chem Ltd.'s Facility Becomes 2<sup>nd</sup> Plant in the world to manufacture pAP from Nitrobenzene; Receives Approval from the Maharashtra Pollution Control Board (MPCB) for consent to establish production of Para Aminophenol (pAP)."

You are requested to kindly take the afore-mentioned on record and oblige.

Thanking you,

For SADHANA NITRO CHEM LIMITED

**NITIN**  
**RAMESHCH**  
**ANDRA JANI**

Digitally signed by  
NITIN  
RAMESHCHANDRA  
JANI  
Date: 2023.10.23  
14:44:30 +05'30'

**Nitin Rameshchandra Jani**  
**Company Secretary & Compliance Officer**  
**Membership No.: A4757**

**Corporate Office**

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Mumbai - 400001

**Factory Address**

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Dhatav, Maharashtra

**Registered Office**

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Kasturba Chowk (C.P. Tank),  
Mumbai - 400 004. INDIA

## PRESS RELEASE

### **Sadhana Nitro Chem Ltd.'s Facility Becomes 2<sup>nd</sup> Plant in the world to manufacture pAP from Nitrobenzene; Receives Approval from the Maharashtra Pollution Control Board (MPCB) for consent to establish production of Para Aminophenol (pAP)**

- Sadhana Nitro Chem Ltd.'s facility is the only **2<sup>nd</sup> Plant in the world** to manufacture pAP from Nitrobenzene, **1<sup>st</sup> and Only Plant outside of the Americas**
- Producing pAP from Nitrobenzene methods ensures **higher purity**
- SNCL's quality now **surpasses standards** set by its global competitors, including those from China
- pAP has garnered **approval from global clients** including Europe, Japan and Turkey

**Mumbai, 20<sup>th</sup> October 2023:** Sadhana Nitro Chem Ltd. (SNCL) is thrilled to announce that the company has received approval from the Maharashtra Pollution Control Board (MPCB) for consent to establish the production of Para Aminophenol (pAP). Further, the company is pleased to announce the successful transition to commercial production at its Para Aminophenol (pAP) plant, now operating in a continuous mode. Remarkably, this facility is the world's second plant to manufacture pAP from Nitrobenzene.

Producing pAP from Nitrobenzene, as against its manufacturing from Para Nitro Chloro Benzene (PNCB), offers several significant benefits. The PNCB method is marked by substantial effluent production, while the Nitrobenzene approach aligns with green chemistry principles, generating zero effluent. Notably, the PNCB process results in various chlorine-based contaminants, notably Para Chloro Aniline (PCA), a substance facing increasing restrictions due to its detrimental effects. In contrast, the Nitrobenzene method avoids using any chlorine-based ingredients, ensuring a product free from PCA and other harmful impurities.

The company's initial projection slated the plant's commencement for March 2022, but unforeseen regulatory constraints posed an initial delay. Regardless, the plant was effectively brought to life in June 2022, operating in batch mode.

To ensure the plant's stability and product quality, the company conducted over 100 batch runs while transitioning to continuous production mode. The switch from batch to continuous production necessitated meticulous adjustments in vessel alignment, piping, and instrumentation, a process that spanned six months.

Upon initiating continuous mode, SNCL immediately achieved success, stabilising the plant and meeting its previously targeted throughput and quality standards. Before expanding its capacities, SNCL's primary goal was to elevate our quality standards further, enabling it to cater to a broader spectrum of global customers.

The company dedicated an additional four months to elevate its product's specifications, aiming to meet the demands of international clientele. These clients often have stringent and varied quality standards, as the product is utilised not only in generic over-the-counter Paracetamol but also in prescription drugs.

SNCL is thrilled to share that its quality enhancements, first achieved in batch manufacturing mode, now surpass the standards set by any of its global competitors, including those from China. This premium grade of pAP is now recognised and approved by global clients.

The company has achieved its targeted levels of quality and production throughput. Further, it is committed to gradually expanding its supply of products to a broad range of clients, including both international and domestic customers. To support this goal, the company has undertaken an effort to expand its production capacity. The company is firmly committed to its goal of becoming the world's leading manufacturer of pAP within a timeframe of less than three years.

Talking about this achievement, **Mr. Abhishek Javeri, MD**, Sadhana Nitro Chem Ltd., added, *"We've garnered product approvals from esteemed customers in regions like Europe, Japan, Turkey, among others and continuously working towards adding more customer approvals to our portfolio. As a result, today, our base product specification now sets a standard that is unrivaled by any competitor in the market.*

*Reflecting on the past five years, we've invested more than ₹100 Crores into the pAP project. This investment, encompassing research and development, plant machinery, construction costs, and additional infrastructure for future expansions, underscores our commitment to sustainable growth. In our company's 50<sup>th</sup> year, this marks a pivotal moment in SNCL's journey, symbolising the fruition of half a decade's diligent work and unwavering dedication.*

*We are optimistic that subsequent scaling efforts will be significantly more efficient, both in terms of time, space, and capital expenditure, thanks to our prudent and methodical approach we have taken over the last one and a half years."*

#### **About Sadhana Nitro Chem Ltd (SNCL).**

Established in 1973, Sadhana Nitro Chem Ltd. (SNCL), stands as a prominent manufacturer specializing in intermediate specialty chemicals. SNCL operates from its state-of-the-art manufacturing facility situated in the Roha spread over 22 acres including 17 acres of MIDC land. SNCL has a very high degree of operating synergy with consequential efficiencies and economies. The company is a government-recognized 2-Star Golden Export House, with 80% of the company's sales being dedicated to exports to highly developed markets, such as Japan, China, Switzerland, the United States, Germany, other parts of Europe, South Korea and more.

SNCL takes pride in its extensive client portfolio, which predominantly comprises multinational conglomerates such as L'Oreal, Bayer Crop Science, Huntsman Advanced Materials, Teijin, Mitsui Chemicals, IPCA, Ricoh Paper, Koehler Paper, and Mitsubishi Paper, among others. The company's versatile product line finds applications spanning various industries, including Agro Chemicals, Aramide Fibre, Pharmaceuticals, Developers, Hair Colors, Dyes, Specialized Resins, Performance Chemicals, Optical Brightening Agents, Rubber Chemicals, Aerospace, Electronic Chemicals, Military Applications, Thermal Paper Intermediates, and more.

**SNCL has been awarded from the PLI scheme for manufacturing 36000 TPA of PAP in 2021**, with the current production run rate of 3000 TPA. The company takes pride in its commitment to quality and social responsibility, holding ISO certifications for ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007, and SA (8000). SNCL is listed on both **BSE: 506642** and **NSE: SADHNANIQ**, and is currently celebrating its 50<sup>th</sup> year as a publicly listed company.

#### **Investor & Media Contact:**

Brijesh K.

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**Disclaimer:**

*Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding the success of our investments, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, our ability to successfully implement our strategy, our research and development efforts, changes in the value of the Rupee and other currency changes, intense competition in the industry including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Sadhana Nitro Chem Limited may, from time to time, make additional written and oral forward-looking statements, including statements contained in the company's filings with the Securities and Exchange Board of India, Stock Exchange and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company*

