

**BOARD OF DIRECTORS**

Shri Kamalkumar Dujodwala Chairman

Shri Pannkaj Dujodwala

Shri Narendra Goenka

Shri Rajkumar Saraf

Shri Rajkumar Jatia

Shri Sharad Saraf

Shri S. C. Sen (resigned w.e.f. 14-05-2012)

Shri R. K. Shriya (resigned w.e.f. 12.08.2011)

**AUDITORS**

M/s. Sundarlal, Desai and Kanodia

Chartered Accountants

903, Arcadia, NCPA Marg,

Nariman Point, Mumbai 400 021.

**BANKERS**

The Saraswat Co-operative Bank Ltd (Scheduled Bank)

SME Nariman Point, A-Wing, 1st Floor, Mittal Court,

Mumbai-400 021.

**AUDIT COMMITTEE**

Shri. Sharad Saraf

Shri. Rajkumar Saraf

Shri. Kamalkumar Dujodwala

**REGISTRAR & TRANSFER AGENT**

Universal Capital Securities Pvt. Ltd.

21, Shakil Niwas, Opp. Satya Saibaba Temple,

Mahakali Caves Road, Andheri (E), Mumbai-400 093

**REGISTERED OFFICE & PLANT LOCATION**

Kumbhivali Village,

Savroli Kharpada Road,

Taluka - Khalapur, Khopoli - 410 203,

Dist: Raigad, Maharashtra.

**ADMINISTRATIVE OFFICE**

812, Tulsiani Chambers,

Nariman Point,

Mumbai 400 021

[As a measure of economy, copies of the Annual Report will not be distributed at the meeting and therefore members are requested to bring their copies of the Annual Report at the meeting]

## NOTICE

**Notice is hereby given** that 30th Annual General Meeting of the members of **DUJODWALA PRODUCTS LIMITED** will be held at the Registered Office of the Company at Kumbhivali Village, Savroli Kharpada Road, Taluka Khalapur, Khopoli, Dist Raigad (Maharashtra) on Thursday, the 27<sup>th</sup> September, 2012 at 11.00 a.m. to transact the following business :

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Director's Report and audited statements of Accounts of the Company for the financial year ended 31<sup>st</sup> March, 2012.
2. To appoint a Director in place of Shri Narendra Goenka who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri. Kamalkumar Dujodwala, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and for this purpose to consider and, if thought fit to pass the following resolution as an Ordinary Resolution :

**"RESOLVED THAT** pursuant to the Provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, **M/s. Sundarlal, Desai and Kanodia** Chartered Accountants, (Registration no. 40617) the retiring Auditors of the Company be and hereby re-appointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors".

### **SPECIAL BUSINESS**

5. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution

**RESOLVED THAT** in continuation to Resolution passed at Extra Ordinary General Meeting of the Company held on December 28, 2009 pursuant to the provisions of Section 81(1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 ("**SEBI ICDR Regulations**") as in force and subject to all other applicable rules, regulations, guidelines, notifications and circulars of the Securities and Exchange Board of India ("**SEBI**"), the applicable provisions of Foreign Exchange Management Act, 1999 ("**FEMA**"), rules, regulations, guidelines, notifications and circulars issued under FEMA including but not limited to Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with Stock Exchanges where the shares of the Company are listed, and subject to requisite approvals, consents, permissions and/or sanctions of SEBI, the Stock Exchanges, Reserve Bank of India ("**RBI**"), the Department of Industrial Policy and Promotion, Ministry of Commerce, the Foreign Investment Promotion Board ("**FIPB**"), and all other authorities as may be required, whether in India or outside India, (hereinafter collectively referred to as "**Appropriate Authorities**"), and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction (hereinafter referred to as "**Requisite Approvals**"), which

may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the Board be and is hereby authorized at its absolute discretion to regularize allotment of 431080 Equity Shares of Rs. 10/- ( Rupees Ten Only ) on conversion of warrants, **by paying a differential amount arises to be determined a new price in terms of regulation 76 (1) of SEBI ICDR Regulations**, which shall **not be lower than the highest of the following:**

- (a) The average of weekly high and low of the closing prices of the Company's shares quoted on the Stock Exchange during the six months preceding the “Relevant Date” ; or
- (b) The average of the weekly high and low of the closing prices of the Company's shares quoted on the Stock Exchange during the two weeks preceding the “Relevant Date”; or
- (c) Rs.18.59/- per Equity Shares of Rs.10/- each.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the Relevant Date, as stipulated in SEBI ICDR Regulations for determination of new price for the referred Equity Shares, shall be 28<sup>th</sup> August, 2012, i.e. thirty days prior to the date passing of this resolution.

**RESOLVED FURTHER THAT** herein above referred equity shares shall be ranking *pari passu* and *inter-se* with the existing equity shares of the Company in all respects including dividend.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution and matters flowing from, connected with and incidental to any of the matters mentioned in the aforesaid resolution, the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such deeds, decide and approve the other terms and conditions of the issue including lock-in and also to vary, modify or alter any of the terms and conditions, in its absolute discretion, deem necessary, desirable or expedient to the allotment of the aforesaid Equity shares, listing thereof with the stock exchange(s) and to resolve and settle all questions and difficulties that may arise in the regularization of said allotment, and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized at its discretion, to further delegate by way of authorization in favour of any of the members of the Board or a committee thereof to do all the necessary acts and take necessary steps that may be deemed expedient to give effect to this resolution.

**By order of the Board of Directors**  
Sd/-  
**Kamalkumar Dujodwala**  
Chairman

Place : Mumbai  
Date : 11.08.2012

## 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 and such proxy need not be a member of the Company. The Proxy Form in order to be effective must be deposited at the registered office of the Company not less than Forty Eight hours before the commencement of the meeting.
2. The register of members and share transfer books of the Company will remain closed from 18<sup>th</sup> September, 2012 to 27<sup>th</sup> September, 2012 (both days inclusive) in connection with the ensuing Annual General Meeting.
3. Members / Proxies should bring their Attendance slip duly filled in for attending the meeting Bodies Corporate who are members are requested to send duly certified copy of the Board resolution authorizing their representative to attend and vote at the meeting.
4. Members are requested to immediately intimate change of address, if any, to the Company / Registrars and Share Transfer Agents (RTA) quoting reference of the Registered Folio Numbers.
5. You may now avail of the facility of nominating, in the prescribed Form, a person whom with your shares in the Company shall vest in the event of your death. Interested members may write to the Company / Registrars & Share Transfer Agents for the prescribed Form.
6. Pursuant to Section 205A of the Companies Act, 1956 all unclaimed dividends upto the financial year 2005-2006 have been transferred to the General Revenue Account of the Central Government Members who have so far not encashed the dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, Mumbai, Maharashtra.
7. Pursuant to Section 205A (5) of the Companies Act, 1956, the Company has transferred the unclaimed dividends for the year 2005-2006 to the Investor Education and Protection Fund.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities Market. The members holding shares in electronic form, are therefore requested to submit their PAN to the Depository Participant with whom they are managing their demat account members holding shares in physical form can submit their PAN details to the Company.
9. Queries on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the meeting so that the answers may be made available at the meeting.
10. Members are requested to bring their personal copy of the Annual report of the meeting.
11. Particulars of Directors appointed / reappointed

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## ANNEXURE TO NOTICE :-

### Explanatory Statement:

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned under item 5 of the accompanying Notice.

### Item No. 5

As you are aware, the Members at the Extra-ordinary General Meeting held on December 28, 2009 had given consent for issue of 25,50,000 convertible warrants of Rs. 18.59 /- per warrant to promoters and the persons/entities other than the promoters of the Company. The Company had received in-principle approval for the same from the Bombay Stock Exchange vide its letter dated 17.02.2010. The Company has converted 431080 warrants out of the total issued warrants into equity shares and allotted the said 431080 equity shares to Pannkaj Dujodwala HUF, Ramgopal Kamalkumar HUF and M/s. Dujodwala Export P. Limited in its Board Meeting held on 29th January, 2011.

However, as per SEBI(ICDR) Regulations, 2009 the allotment is to be made within 15 days from the date of approval.

In view of said considering to regularization of said allotment, a fresh approval in this regard is being obtained from the Members of the Company. As per the SEBI (ICDR) Regulations, 2009 the current price may differ in accordance with regulation. The differential amount arises due to enhance of share price will be brought in by the respective allottees.

As per SEBI (ICDR) Regulations, 2009 the required details are furnished hereunder.

Object(s) of the Issue through Preferential Issue

The purpose of the said issue of Warrants was to augment the financial resources of the Company.

Proposal of Promoters, Directors or Key Management Personnel to subscribe to the offer

Promoter / Promoter Group were eligible and interested to subscribe the said warrants.

**Shareholding pattern before and after the preferential issue, shall be as under:**

Shareholders	Pre-Allotment shareholding		Post-Allotment shareholding after Conversion of Warrants	
	No. of shares	%	No. of shares	%
<b>A. Promoter &amp; Promoter Group:</b>	3,570,271	41.41	4,001,351	44.20
<b>Total Promoter &amp; Promoter Group:</b>	<b>3,570,271</b>	<b>41.41</b>	<b>4,001,351</b>	<b>44.20</b>
<b>B. Non-Promoters Group:</b>				
Mutual Funds/UTI	1,900	0.02	1,900	0.02
Banks, FIs, Insurance Companies etc.	600	0.01	600	0.01
Foreign Institutional Investors	--	--	--	--
Others	5,048,829	58.56	5,048,829	55.77
<b>Total Non-Promoters Group</b>	<b>5,051,329</b>	<b>58.59</b>	<b>5,051,329</b>	<b>55.80</b>
<b>Total of Promoters and Non-Promoters Groups</b>	<b>8,621,600</b>	<b>100.00</b>	<b>9,052,680</b>	<b>100.00</b>

**The identity of the allottees and the percentage of post- preferential issue capital that is being held by them:**

Identity of proposed allottees	Pre Issue No. of Shares	% of Pre Issue capital	No. of equity shares issued upon Conversion of Warrants	% of post-issue capital after Conversion of Warrants	Post-preferential Issue No. of Shares	Percentage of post-preferential
Pannkaj Ramgopal Dujodwala HUF	0	0	172432	2%	172432	2%
Dujodwala Export Private Ltd	0	0	172432	2%	172432	2%
Ramgopal Kamalkumar HUF	70000	0.81%	86216	1%	156216	1.81%
	70000	0.81%	431080	5%	431080	5.81%

- **Conversion of Warrants into Equity Shares:**

The holders of the warrants were entitled to exercise the right to apply for Equity Shares in one or more tranches within 18 months from the date of allotment of Warrants, subject to full payment of the exercise price. Only 431080 warrants out of the total issued warrants were converted into equity shares.

- **Other matters:**

**(1) Pricing of Preferential Issue:**

The said allotment of Equity Shares arising out of exercise of right of conversion of Warrants being regularized, by paying a differential amount arises to be determined a new price in terms of regulation 76 (1) of SEBI ICDR Regulations, which shall not be lower than the highest of the following:

- (a) The average of weekly high and low of the closing prices of the Company's shares quoted on the Stock Exchange during the six months preceding the "relevant date" ; or
- (b) The average of the weekly high and low of the closing prices of the Company's shares quoted on the Stock Exchange during the two weeks preceding the "relevant date".

**(2) Relevant Date:**

The Relevant Date, as stipulated in SEBI ICDR Regulations for determination of price for the Equity Shares to be issued and allotted upon exercise of rights attached to the Warrants referred hereinabove, was be 28th November, 2009, i.e. thirty days prior to date passing of this resolution.

**(3) Payment Terms:**

The allottee of equity shares had paid 25% of the payable amount of warrants upon application and the balance upon exercising their right for conversion into Equity Shares.

**(4) Lock in:**

The said allottees, had not sold or transferred any Equity Shares of the company during the six months period prior to the relevant date and the pre issue shareholding (if any) of the proposed allottees shall also be subject to applicable lock-in as per SEBI ICDR Regulations. The Warrants and / or Equity Shares had allotted under the preferential allotment are being subject to applicable lock-in as per SEBI ICDR Regulations or any further amendments thereto or as per any requirement of the Stock Exchanges.

**(5) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997:**

In terms of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, the investors as mentioned above in this notice are not required to and do not intend to make any open offer.

**(6) Auditors Certificate:**

A copy of the statutory auditors certificate, confirming that the said allotment of equity shares arising out of exercise of right of conversion of Warrants is in accordance with the SEBI ICDR Regulations, will be available for inspection after the completion of Extra Ordinary General Meeting at the Registered Office of

the Company on any working day between 11.00 a.m. to 1.00 p.m.

Section 81 (1A) of the Companies Act, 1956 provides inter alia that whenever it is proposed to increase the subscribed capital of the Company by way of further issue of shares, such shares shall be first offered to the existing shareholders of the company, unless the shareholders decide otherwise by passing a Special Resolution. Accordingly the consent of the shareholders is being sought, pursuant to the provisions of Section 81 (1A) and all other applicable provisions of the Companies Act, 1956, SEBI ICDR Regulations and the provisions of the Listing Agreement for authorizing the Board to offer, issue and allot warrants as stated in the resolution of the accompanying notice to individuals and/or corporates belonging and/or not belonging to the Promoter / Promoter Group on a preferential allotment basis.

The Directors of the Company are concerned or interested in the Resolution to the extent of Securities that was subscribed by them and the companies / institutions of which they are Directors or members.

The Board of Directors recommends the Special Resolution for the approval of the members.

**Details of Directors seeking appointment / re-appointment at the  
Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)**

Name of the Directors	Shri Kamalkumar Dujodwala
Date of Birth	01.04.1951
Date of Appointment	03.07.1981
Expertise of Specific Functional Areas	Chemicals
Qualification	B.Sc Graduate
List of Public Companies in which outside Directorship held as on 31st March, 2012	6
No of shares held in the Company	Nil

**Details of Directors seeking appointment / reappointment at the  
Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)**

Name of the Directors	Shri Narendra Goenka
Date of Birth	30.06.1957
Date of Appointment	31.10.2003
Expertise of Specific Functional Areas	Textile Entrepreneur
Qualification	B.com Graduate
List of Public Companies in which outside Directorship held as on 31st March, 2012	9
No of shares held in the Company	Nil

By Order of the Board of Directors

Sd/-  
Kamalkumar Dujodwala  
Chairman

Place : Mumbai  
Date : 11-08-2012



## **DIRECTORS' REPORT**

To,

**The Members,**

The Directors have pleasure in presenting the 30<sup>th</sup> Annual Report of Dujodwala Products Limited for the year ended 31<sup>st</sup> March, 2012. The summarised Financial Results are given below :

### **FINANCIAL RESULTS:**

	2011-2012 Rupees in Lacs	2010-2011 Rupees in Lacs
Gross Sales including other Income	23961.66	20875.08
Add: Excise Duty Refund	47.98	-
Gross Profit before interest, Depreciation and Taxation	1370.44	2289.39
Interest	664.80	428.81
Depreciation	380.97	355.21
Less : Provision for Taxation	62.00	480.00
Less : MAT Credit	60.06	---
Provision for deferred taxation	-12.61	62.63
Tax Adjustment of earlier Year	0.45	---
Net Profit for the year	334.90	964.73
Surplus brought forward from previous year	2106.52	1447.17
Balance Available for Appropriation	2441.42	2441.91
Appropriations		
a) General Reserve	100.00	200.00
b) Dividend	-	90.37
c) Dividend Tax	-	15.01
Balance carried forward to Balance Sheet	2341.42	2106.52

### **DIVIDEND:**

With a view to conserve the resources in long run, your Directors have not recommended any dividend for the year ended 31<sup>st</sup> March, 2012.

### **TRANSFER TO RESERVE:**

Your Company proposes to transfer Rs. 100 Lacs to General Reserves out of the amount available for appropriations during the financial year 2011-2012 (as compared to Rs. 200 Lacs in previous financial year).

### **MANAGEMENT DISCUSSION AND ANALYSIS OVERVIEW:**

The Company is engaged in the manufacturing and selling activities of Camphor, Sodium Acetate and by products, Terpenes Chemicals and Synthetic Resins at its Unit located at Kumbhivali, Taluka Khalapur, Khopoli, Dist. Raigad, Maharashtra.

### **REVIEW OF OPERATIONS:**

During the year under review, the Company has achieved sales and other income of Rs. 23961.66 Lacs as

compared to Rs. 20875.08 Lacs during the previous year resulting the escalation of 14%. Whereas the net profit has dropped to Rs. 334.90 as against Rs. 964.73 Lacs during the pervious year .

The Company has adequate production facilities with sole objective of providing quality products at reasonable price as well as satisfying the interest of all Customers of the Company.

#### **INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY:**

The Company has put in place necessary internal control systems commensurate with its operations. Periodical checks are conducted and necessary remedial measures are adopted.

#### **DIRECTORS:**

- a) Shri Narendra Goenka, Director of the Company retires by rotation at the ensuring Annual General Meeting and being eligible offers themselves for re-appointment.
- b) Shri Kamalkumar Dujodwala, Director of the Company retires by rotation at the ensuring Annual General Meeting and being eligible offers themselves for re-appointment.

#### **HUMAN RESOURCES / INDUSTRIAL RELATIONS:**

Industrial relations continued to remain cordial at the manufacturing unit of the Company. The Directors acknowledge the support and co-operation from employees at all levels.

#### **CORPORATE GOVERNANCE:**

Your Company stand committed for better corporate governance, for accountability, transparency & disclosures. Independent supervision are kept to protect the interest of valued stake holders. The Company is committed for transparency in all dealings with the shareholders, employees, suppliers, Government, other parties and places its high emphasis on business ethics. Your Company's basic philosophy of Corporate Governance is to achieve business excellence and enlarged long-term shareholders.

Your Company is in compliance with the requirements of the guidelines on Corporate Governance as stipulated under clause 49 of existing listing agreement. A report on Corporate Governance in pursuant to the provisions of Clause 49 of Listing Agreement supported by a certificate given by the statutory auditors of the Company confirming compliance of conditions, which forms part of this Annual Report.

#### **FIXED DEPOSITS:**

The Company has not accepted and or renewed any fixed deposits, which come under the purview of Section 58A of the Companies Act, 1956.

#### **LISTING:**

The Company's total issued, subscribed and paid up share capital is Rs. 90526800/- divided into 9052680 Equity Shares of Rs. 10/- each. Out of the said equity share 8606400 are listed on the Bombay Stock Exchange, 15200 are calls-in-arrears and 431080 are pending for listing with Bombay Stock Exchange for which the Company is following it up with Bombay Stock Exchange.

#### **AUDITORS:**

The Company's Auditors M/s. Sundarlal, Desai and Kanodia, Chartered Accountants, Mumbai retires at the

**ensuing** Annual General Meeting and are eligible to offers themselves for re-appointment. Your Directors recommends their appointment for the ensuing year.

**AUDIT COMMITTEE:**

The Board has constituted its Audit Committee in pursuant to the provision of Section 292A of the Companies Act, 1956 and provisions of the Listing Agreement of the Stock Exchange. The Audit Committee of the Company presently comprises of the following members namely Shri Sharad Saraf, Shri Rajkumar Saraf and Shri Kamalkumar Dujodwala.

**AUDITOR'S REPORT:**

The notes on the Accounts referred to the Auditor's Report are self explanatory and therefore do not require any further comments.

**FOREIGN EXCHANGE EARNING AND OUTGO:**

The Company has earned Rs. 1299.21 Lacs on account of Exports made on FOB basis during the year under review as against Rs.2037.79 Lacs in the previous year. The Company has spent Rs. 9557.86 Lacs as against Rs.12081.61 Lacs during the previous year on import of raw materials on CIF basis and Rs.39.98 Lacs against Rs. 31.63 Lacs during the previous year towards traveling expenses during the year under review. The Company has also spent Rs. 886.26 Lacs, (previous year Rs. 536.81 Lacs) for purchase of imported traded goods.

**CONSERVATION OF ENERGY:**

Information as per Section 217(1) (e) read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are given in Form-A annexure-I forming part of this report

**PARTICULARS OF EMPLOYEES:**

There is no employee drawing the requisite remuneration, in terms of Section 217(2A) of the Companies Act, 1956.

**DIRECTOR'S RESPONSIBILITY STATEMENT :**

In pursuant to the requirement under section 217(2AA) of the Companies (Amendment) Act, 2000 with respect to Director's Responsibility Statement it is hereby confirmed ;

- (i) that in the preparation of the accounts for the financial period ended 31st March, 2012, the applicable accounting standards have been followed with proper explanation and there are no material departures.
- (ii) that the Directors have selected such accounting policies in consultation with Statutory Auditors 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 period and of the profit of the Company for the period under review.
- (iii) that the Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. The directors have confirmed that there are adequate control & systems for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- (iv) that the Directors have prepared the accounts for the financial period ended 31st March, 2012 on a “going concern” basis.

#### **ACKNOWLEDGEMENTS:**

Your Directors would like to express their appreciation to all employees of the company for their performance and continued support. The Directors also thanks to all the workers, staff, shareholders, vendors, bankers, consultants, customers and governmental & statutory authorities for their sustained support.

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala  
Chairman

Place : Mumbai  
Date : 11th August, 2012



### **ANNEXURE -1 TO THE DIRECTOR'S REPORT**

#### **Form 'A'**

##### **Power and Fuel Consumption:**

	Particulars	2011-2012	2010-11
1.	Electricity Purchased		
	Units (Kwh/Lacs)	49.47	44.93
	Total Amounts (Rs./Lacs)	293.53	233.58
	Rate Per Unit (Rs.)	5.93	5.20
2.	Furnace Oil /Light Diesel Oil		
	Quantity (Ltrs/Lacs)	5.76	7.53
	Total Cost (Rs./Lacs)	173.53	219.00
	Average Rate (Rs.)	30.15	29.08
3.	Coal		
	Quantity (Kgs.)	1,06,89,932	95,09,015
	Total Cost (Rs./Lacs)	593.26	436.64
	Average Rate (Rs.)	5.55	4.59

#### **Form 'B'**

Form for disclosure of particulars with respect to:

##### **1) Areas in which Research & Development is being carried out:**

Research & Development has been strengthening company's business by giving new parameters by optimizing the existing processes and bettering the pollution control methods. Brief details are given below:-

- a) Strong Research & Development has enabled development of various products for quality like Camphor, Sodium Acetate Trihydrate, Synthetic Resins and Terpene Chemicals.

- b) Pollution control has been a top most importance and efforts directed towards reduction at source and in recovery of by-products and usage.

**2) Benefits derived as a result of above Research and Development:**

- a) Increase in product range, augmenting extent potential and marketing
- b) Product consistency for remaining universally competitive.
- c) Improvements in process control, conservation of energy resulting in cost reduction.

**3) Future plan of action :**

**Technology Absorption**

- 1) Efforts made:-
  - a) Improvement in technical services to meet customers' requirements.
  - b) Interaction with various laboratories and consultants for improvising process and pollution control.
- 2) Benefits derived as a result of above efforts:
  - a) Better customer satisfaction.
  - b) Cost effectiveness and increase in marketability.

The Company's manufacturing process for its products are based on in-house technology which has been successfully absorbed. The Company has constantly making efforts for improvement of quality and for marketing new ranges of products.

**REPORT ON CORPORATE GOVERNANCE:**

**(Pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchange)**

**1. Companies philosophy on the Code of Governance**

The Company's Philosophy of Corporate Governance is aimed at efficient conduct of its business and ensured high standards of accountability and excellence in the service of all the stakeholders. The management believes that the principles of accountability, transparency and ethics as its business practice will enable it to achieve the long term objectives and goals.

The Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under the Clause 49 of the Listing Agreement with the Stock Exchange.

**2. Board of Directors**

**Composition, Number of Meeting and attendance**

The Board comprises of Six Directors and in order to ensure the independence of the Board, half of the Directors are independent Directors. The composition of Board of Directors is in conformity with Clause 49 of the Listing agreement, as amended from time to time. The Board of Directors along with its Committee provide necessary guidance, leadership to Company's Management and direct, supervise and control the

affairs of the Company in order to achieve its Corporate goals. All Independent Directors are in compliance with the requirements of Listing Agreement for being an Independent and have confirmed that they meet the “Independence Criteria” as mentioned under clause 49 of Listing Agreement.

The Board of Directors met Four times on the following dates during the financial year 2011-2012 :  
30<sup>th</sup> May, 2011, 12<sup>th</sup> August, 2011, 11<sup>th</sup> November, 2011, and 14<sup>th</sup> February, 2012.

The Composition of the Board, attendance at the Board Meeting held during the year and at the last Annual General Meeting, Number of Directorship in other Companies and Membership in Committees across the various Companies of which the Director is a Member / Chairman are given below:

Name of the Director	Category of Directorship	No. of Board meetings attended	Attendance at the last AGM held on 29th September, 2011	Number of Directorship in other companies	Number of Committees positions held in other companies	
					Chairman	Members
Shri Kamal Dujodwala	Chairman	4	Yes	6	--	4
Shri Pannkaj Dujodwala	Managing Director	4	Yes	3	—	—
Shri S. C. Sen **	Executive Director	4	Yes	—	--	—
Shri Narendra Goenka	Non Executive	3	No	9	--	2
Shri Rajkumar Saraf	Non Executive	4	No	7	9	2
Shri Rajkumar Jatia	Non Executive	3	No	4	--	—
Shri Sharad Saraf	Non Executive	3	No	10	2	6
Shri R. K. Shriya *	Executive	2	No	—	--	—

\*Resigned on 12.08.2011

\*\*Resigned on 14.05.2012

#### Details of Directors being appointed / reappointed :

Shri Narendra Goenka and Shri Kamalkumar Dujodwala retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment

#### c) Code of Conduct

All the Directors and Senior Management Personnel have affirmed compliance of the code of conduct of the Company during the financial year ended 31<sup>st</sup> March, 2012. A Declaration to this effect signed by the Managing Director of the Company is annexed hereto.

## II. **AUDIT COMMITTEE:**

### Terms of reference

- To oversee company's financial reporting / financial information / financial statements
- To review with management the Annual Financial Statement before submission to Board, focusing primarily on changes in accounting policies and practices
- To look into compliance with Stock Exchange and legal requirements concerning financial statements
- To review the external and internal management systems and internal control systems.
- To discuss with the Auditors periodically about internal control system, the scope of audit including the observations of the Auditors and review the half and annual financial statements before submission to the Board and also ensure compliance of internal control system.

### Composition, Number of meeting and attendance

Shri Sharad Saraf is the Chairman of the Committee. He is as independent and non executive Director. Shri Rajkumar Saraf and Shri Kamalkumar Dujodwala are the members of the Audit Committee.

During the Financial year 2011-2012 under review, Four (4) Audit committee meetings were held on 30<sup>th</sup> May, 2011, 12<sup>th</sup> August, 2011, 11<sup>th</sup> November, 2011, and 14<sup>th</sup> February, 2012

### The composition of the Audit Committee and attendance at its meeting is given below :

Name of Director	Position	Category	No. of meetings	
			Held	Attended
Shri. Sharad Saraf	Chairman	Independent and Non executive Director	4	4
Shri. Raj Kumar Saraf	Member	Independent and Non executive Director	4	4
Shri Kamal Dujodwala	Member	Executive Chairman	4	4

### Meetings of Share Transfer Committee:

The Committee meets at frequent intervals, to approve inter-alia, transfer /transmission of Shares, dematerialization of shares, issue of duplicate share certificate, consolidation and split of share certificate and any other powers / responsibilities entrusted by the Board. During the Financial Year 2011-2012 the committee met thirteen times.

## III. **Disclosures**

### (A) **Disclosures on materially significant related party transactions:**

Details of related party transactions are included in the Notes to the Accounts as per Accounting Standard- 18 of Companies (Accounting Standards) Rules, 2006. Shareholders may please be referred the same. However these are not in conflict with the interest of the Company at large. There are no material individual transactions which

are not in the normal course of business. All details relating to financial and commercial transactions where Directors may have potential interest are provided to the Board and the interested Directors neither participated in the discussion nor did they vote on such matters.

## (B) Disclosure of Accounting Treatment

There is no deviation in following the treatments prescribed in any Accounting Standard in preparation of financial statements of the Company during the financial year.

## (C) Risk Management

The Company has carried out a detailed analysis on Enterprise Risk Management and on the basis of that analysis, a detailed strategy including policy for Risk Management of the Company is framed which is subject to be reviewed by Audit committee from time to time for identifying, analyzing and mitigating the risk factors.

## (D) Provisions regarding Audit Committee

The Company is already complying with all the provisions regarding Audit Committee. The Constitution of Audit Committee along with terms of references, meetings etc., are elsewhere provided in the Report.

## (E) Appointment of Auditors and Internal Auditors

The Company is already complying with most of the provisions regarding appointment of Statutory Auditors and Internal Auditors except the rotation of Audit Firms and Partners as required for appointment of Statutory Auditors.

## (F) Remuneration of Directors

### i. Details of Remuneration paid to Directors for the F. Y. 2011-12 are as under :-

Directors	Relationship with other Directors	Sitting Fee (Rs.)	Salary and Perks (Rs.)	Commission (Rs.)	Total (Rs.)
Shri Kamal Dujodwala	Brother of Shri Pannkaj Dujodwala	Nil	24,00,000	Nil	24,00,000/-
Shri Pannkaj Dujodwala	Brother of Shri Kamal Dujodwala	Nil	24,00,000	Nil	24,00,000/-
Shri S. C. Sen**	None	Nil	42,34,150	Nil	42,34,150/-
Shri R. K. Shriya *	Relative	1000/-	Nil	Nil	1000/-
Shri Narendra Goenka	None	3000/-	Nil	Nil	3000/-
Shri Rajkumar Saraf	None	4000/-	Nil	Nil	4000/-
Shri Rajkumar Jatia	None	3000/-	Nil	Nil	3000/-
Shri Sharad Saraf	None	3000/-	Nil	Nil	3000/-

\*resigned on 12.08.2011

\*\* resigned on 14.05.2012

The sitting fee of Rs.1000/- is paid towards transportation to attend the Board meeting by the Directors of the Company.



#### G) Audit Qualification

There is no audit qualification by the Statutory Auditors.

#### H) Shareholders' rights

The Quarterly results are published in Two News Papers- English and Vernacular and are also sent to Stock Exchanges.

#### **MANAGEMENT:**

A detailed Management Discussion and Analysis forms part of the Directors' Report is in accordance with the requirements laid out in Clause 49 of the Listing Agreement. All details related to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors neither participated in the discussion nor do they vote on such matters.

#### **SHAREHOLDERS INFORMATION:**

- The Company has provided all the details of the Directors seeking appointment or re-appointment in the AGM. Notice is enclosed with this Annual Report.
- The Board has constituted a "Shareholder's Grievance / Allotment and Transfer Committee" at the Board level to look into various issues relating to Shareholders / Investors including transfer and transmission of shares as well as non receipt of Annual Report, delays in transfer of shares etc. In addition, the Committee shall also look into the issues like status of dematerialization / dematerialization of shares, systematic follow-up track for investor's complaints and adoption of suggested measures for improvement from time to time.

The constitution of the Shareholder's Committee is as under:

Name of the Director	Executive / Non – Executive Director
Shri Sharad Saraf	Non Executive Independent Director
Shri Rajkumar Saraf	Non Executive Independent Director
Shri Kamalkumar Dujodwala	Chairman (Promoter )

#### c) **ANNUAL GENERAL MEETING:**

Date	27th September, 2012.
Venue	At Registered office: Kumbhivali Village, Tal: Khalapur, Khopoli-410 203, Dist-Raigad, Maharashtra
Time	11.00 a.m.
Book Closure date	18th September, 2012 to 28th September, 2012 (both days inclusive)

#### d) **Financial Calendar 2012- 2013**

##### **Financial Reporting for**

Quarter ended 30th June, 2012	Mid of August, 2012
Half year ended 30th September, 2012	End of October, 2012
Quarter ended 31st December, 2012	End of January, 2013
Quarter and year ended 31st March, 2013	End of April, 2013/ End of June, 2013
Annual General Meeting for the year ended 31st March, 2013	End of September, 2013

**e) LISTING ON STOCK EXCHANGE**

The Company's total issued, subscribed and paid up share capital is Rs. 90526800/- divided into 9052680 Equity Shares of Rs. 10/- each. Out of the said equity share 8606400 are listed on the Bombay Stock Exchange, 15200 are calls-in-arrears and 431080 are pending for listing with Bombay Stock Exchange.

**f) STOCK CODE**

The stock codes of your Company's Equity Shares are as follows:

1. The Stock Exchange, Mumbai - 514418
2. ISIN No. for shares in Demat mode - INE370D01013

**g) REGISTRAR AND SHARE TRANSFER AGENT**

The Company has appointed Universal Capital Securities Pvt. Ltd., situated at 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai-400093 as Registrar and Share Transfer Agent for demat segment and physical transfer of shares.

**h) SHARE TRANSFER SYSTEM**

Share Transfer requests lodged in physical form with us are processed and returned to the Shareholders within a period of 30 days from the date of receipt. Demat requests are normally confirmed within an average period of 15 days from the date of receipt.

**i) STOCK PRICE DATA:**

Average monthly high and low share prices at the Mumbai Stock Exchange are given below :

Month	High	Low	Month	High	Low
April- 2011	45.00	35.00	Oct-2011	31.70	28.00
May- 2011	43.60	33.40	Nov-2011	33.85	27.50
June- 2011	42.00	33.40	Dec-2011	28.65	23.00
July- 2011	38.30	34.05	Jan-2012	32.00	24.00
Aug-2011	36.25	28.00	Feb-2012	31.90	22.10
Sept-2011	37.00	29.50	Mar-2012	24.65	21.00

**j) DISTRIBUTION OF SHARE HOLDING AS ON 31<sup>ST</sup> MARCH, 2012**

No. of shares	No. of share holders	% of share holders	No. of shares held	% of share holding
Up to 500	11288	92.905	1522518	16.818
501-1000	440	3.621	345292	3.814
1001-2000	217	1.786	326059	3.602
2001-3000	57	0.469	147675	1.631
3001-4000	23	0.189	79982	0.884
4001-5000	38	0.313	177419	1.960
5001-10000	39	0.321	276239	3.051
10001 and above	48	0.396	6177496	68.240
Total	12150	100.00	9052680	100.00

**(k) CATEGORIES OF SHARE HOLDING AS ON 31<sup>ST</sup> MARCH, 2012**

Categories	No. of shares held	% of holding
Indian Promoters	4201465	46.41
Foreign Promoters	-	-
Mutual Funds and UTI	1900	0.02
Banks / Financial Institutions	600	0.01
Foreign Institutional Investors	-	-
Private Corporate Bodies	905628	10.00
NRI/OCBs	275813	3.05
Indian Public	3667274	40.51
Total	9052680	100.00
No. of shares in Physical segment	1478430	16.73
No. of shares in Demat segment	7574250	83.27
<b>Total</b>	<b>9052680</b>	<b>100.00</b>
Plant Location and Registered office: Kumbhivali Village, Savroli Kharpada Road, Taluka - Khalapur, Khopoli - 410 203, Dist: Raigad, Maharashtra.		

**I) INVESTOR'S RELATIONS**

The Company received One complaints from shareholders during the financial year 2011-12 and the same were resolved satisfactorily.

**m) COMPLIANCES BY THE COMPANY**

No strictures / penalties have been imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India or any Statutory Authority or any matters related to capital markets, since the incorporation of the Company.

**V) REPORT ON CORPORATE GOVERNANCE**

This Corporate Governance Report forms part of the Annual Report. The Company is compliant with the Provisions of Clause 49 of the Listing Agreement of the Stock Exchanges in India

**VI) COMPLIANCE :**

- Certificate from the Statutory Auditors confirming compliance with the conditions of corporate governance as stipulated in Clause 49 of the Listing agreement of the Stock Exchange in India is annexed to the Directors Report and forms part of the Annual Report
- Status of compliance of Non-mandatory requirement Remuneration of the Directors are decided and approved by the Board of Directors

**VII) MEANS OF COMMUNICATION:** [power@bom3.vsnl.net.in](mailto:power@bom3.vsnl.net.in)

The Quarterly and Half yearly results are forthwith communicated to all the Stock Exchanges with whom the Company has listing arrangements as soon as they are approved and taken on record by the Board of Directors of the Company. Further the results are published in Two News Papers.



## DECLARATION

I, hereby declare that all the Board Members and and Senior Management Personnel of the Company have affirmed compliance with the code of conduct for the year ended on 31<sup>st</sup> March, 2012.

**For Dujodwala Products Limited**

**Sd/-**

**Pannkaj Dujodwala  
Managing Director**

Place: Mumbai

Dated: 11<sup>th</sup> August 2012.

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## AUDITORS CERTIFICATE ON CLAUSE 49 COMPLIANCE

To,  
The Members of Dujodwala Products Limited

We have examined the compliance of conditions of Corporate Governance by Dujodwala Products Limited for the year ended on 31<sup>st</sup> March, 2012 as stipulated in Clause-49 of the Listing Agreement of the said Company with Stock Exchange.

The Compliance conditions of Corporate Governance are the responsibility of the Management. Our examination was to 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 information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**For SUNDARLAL, DESAI & KANODIA**

Chartered Accountants

Firm Reg. No. 110560W

Sd/-

H.P.KANODIA

Partner

Membership No. 40617

Place: Mumbai

Dated: 11<sup>th</sup> August 2012.

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## **AUDITORS' REPORT**

To  
The Members of **Dujodwala Products Limited**,

### **Report on the financial statements**

We have audited the accompanying financial statements of Dujodwala Products Limited (the company), which comprise the balance sheet as at 31 March 2012, and the statement of profit and loss and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act subject to note no. 35 of notes on financial statements in respect of sales tax deferment liability, in the manner so required and give a true and fair view in conformity with

the accounting principles generally accepted in India:

- a. In the case of the balance sheet, of the state of affairs of the company as at 31 March 2012.
- b. In the case of the statement of profit and loss, of the profit for the year ended on that date, and
- c. In the case of the cash flow statement, of the cash flows for the year ended on that date.

#### **Report on other legal and regulatory requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
  - c. The balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the balance sheet, statement of profit and loss, and cash flow statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 except as referred in note no. 35 of notes on financial statements in respect of sales tax deferment liability.

On the basis of written representations received from the directors as on 31 March 2012, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2012, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956

**For Sundarlal, Desai & Kanodia  
Chartered Accountants  
Registration No. 110560W**

**Sd/-  
H. P. Kanodia (Partner)  
M.S. No. 40617**

Place: Mumbai  
Dated: 11th August 2012

## **ANNEXURE TO THE AUDITORS' REPORT**

(REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF DUJODWALA PRODUCTS LIMITED AS AT 31<sup>ST</sup> MARCH 2011)

- [I] [a] The Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets. However, the Company has informed us that it is in the process of maintaining register showing proper records.
- [b] According to the information and explanations given to us, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- [II] [a] The inventory has been physically verified during the year by the management and we have relied on the same. In our opinion, the frequency of verification is reasonable.
- [b] In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- [ c] In our opinion and according to the information and explanation given to us, the company is maintaining proper records of inventory. As explained to us, there is no material discrepancy noticed on physical verification of inventory as compared to book records and have been properly dealt with in the books of accounts.
- [III] [a] According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Order are not applicable to the company and hence not commented upon.
- [b] According to information and explanations given to us, the company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(e) to (g) of the Order are not applicable to the company and hence not commented upon.
- [IV] In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.
- [V] [a] To the best of our knowledge and belief and according to information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have not been entered so far.

<b>Nature of Transaction for the whole year</b>	<b>Amount (Rs)</b>
Sales of Goods	38,17,617



- [b] In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- [VI] In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public and hence the directive issued by the Reserve Bank of India and provisions of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rule, 1975 are not applicable.
- [VII] In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- [VIII] We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- [IX] [a] According to the records of the company, undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, Excise duty, service tax, cess and other material statutory dues applicable to it have generally been regularly deposited with the appropriate authorities.
- [b] According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- [c] According to the information and explanation given to us, there are no dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute except as stated below:

Name of the statute	Nature of dues	Amount of demand	Payment of demand	Period to which the amount relate	Forum where dispute is pending
The Central Excise Act, 1944	Excise duty	11,58,94,818	NIL	April 1999 to March 2004	High Court
The Central Excise Act, 1944	Custom Duty	1,01,92,867	NIL	April 2004 to November 2004	CESTAT by the Company
The Income Tax Act, 1961	Income Tax	6,97,536	6,97,536	AY 2009-10	Comm. Of Income Tax (Appeals)

- x. The company has no accumulated losses and the Company has not incurred any cash losses during the financial year covered under audit or in the immediately preceding financial year
- xi. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

- xii. According to the information and explanations given to us and based on the documents and records produced before us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- xiv. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- xv. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi. In our opinion and according to the information and explanations given to us and on an overall examination of the records and relying on the information compiled by the company for co-relating the funds raised to the end use of term loans, we have to state that, the company has, prima facie, applied the term loans for the purpose for which the loans were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company and after placing reliance on the reasonable assumptions made by the Company for classification of long term and short term usage of the funds, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. According to the information and explanations given to us, during the year covered by our audit report, the company has not issued any secured debentures.
- xx. According to the information and explanations given to us the company has not raised any money by public issue during the period covered by our audit report.
- xxi. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

**For: Sundarlal, Desai & Kanodia**  
**Chartered Accountants**  
**Registration No. 110560W**  
 Sd/-  
**H.P. Kanodia**  
**Partner**  
**Mem. No. 40617**

Place : Mumbai  
 Dated : 11<sup>th</sup> August 2012.

## BALANCE SHEET AS AT 31ST MARCH 2012

	SCH	31-03-2012 (Rs.)	31-03-2011 (Rs.)
<b><u>EQUITY AND LIABILITIES:</u></b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	1	90,374,800.00	90,374,800.00
Reserves and Surplus	2	339,942,384.75	310,504,177.45
Money Received against Share Warrants	3	7,025,984.00	7,025,984.00
		<b>437,343,168.75</b>	<b>407,904,963.45</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	4	61,356,553.97	66,002,625.10
Deferred Tax Liability (Net)	5	55,363,528.88	56,624,656.21
Long Term Provisions	6	8,094,677.00	5,671,541.00
		<b>124,814,759.85</b>	<b>128,298,822.31</b>
<b><u>CURRENT LIABILITIES</u></b>			
Short-Term Borrowings	7	410,052,200.60	196,636,894.25
Trade Payables	8	360,187,537.88	440,632,708.19
Other Current Liabilities	9	121,877,287.14	153,466,836.69
Short-Term Provisions	10	--	48,367,500.35
		<b>892,117,025.62</b>	<b>839,103,939.48</b>
<b>TOTAL</b>		<b>1,454,274,954.22</b>	<b>1,375,307,725.24</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
(i) Tangible Assets	11	437,025,782.55	424,239,108.53
(ii) Capital work-in-progress		34,973,284.39	13,143,830.50
Non-Current Investments	12	25,000.00	25,000.00
Long Term Loans and Advances	13	39,780,048.48	42,288,427.06
		<b>511,804,115.42</b>	<b>479,696,366.09</b>
<b>CURRENT ASSETS</b>			
Inventories	14	538,940,474.64	560,498,135.44
Trade Receivables	15	276,868,946.83	186,587,408.46
Cash and Cash Equivalents	16	40,662,116.65	32,926,816.12
Short-term Loans and Advances	17	79,611,811.08	114,716,375.13
Other Current Assets	18	6,387,489.60	882,624.00
		<b>942,470,838.80</b>	<b>895,611,359.15</b>
<b>TOTAL</b>		<b>1,454,274,954.22</b>	<b>1,375,307,725.24</b>

Significant accounting policies and notes to financial statements 1 to 43

Notes referred above forms integral part of the balance sheet

As per our report of even date attached

**For Sundarlal, Desai & Kanodia**  
**Chartered Accountants**  
 Sd-  
 H. P. Kanodia (Partner)  
 Mem. No. 40617  
 Place : Mumbai  
 Dated : 11th August 2012

For and on behalf of Board of Director

Sd-  
 Director

Sd-  
 Director

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2012

	SCH	31-03-2012 (Rs.)	31-03-2011 (Rs.)
<b>INCOME</b>			
Revenue from operations	19	2,202,271,816.87	1,907,519,975.40
Other income	20	6,636,897.12	8,691,349.44
		<b>2,208,908,713.99</b>	<b>1,916,211,324.84</b>
<b>EXPENSES</b>			
Cost of materials consumed	21	1,515,044,305.37	1,477,446,271.00
Trading purchase	22	189,178,372.77	82,913,803.53
Changes in inventories of finished goods and work-in-progress	23	51,553,130.25	(138,177,557.93)
Employee benefit expenses	24	65,598,851.39	53,305,934.96
Finance costs	25	66,479,743.74	42,681,163.52
Depreciation and amortization expenses	11	38,096,923.52	35,521,014.19
Other expenses	26	250,489,677.92	211,784,044.81
		<b>2,176,441,004.96</b>	<b>1,765,474,674.08</b>
<b>Profit before tax</b>		<b>32,467,709.03</b>	<b>150,736,650.76</b>
<b>TAX EXPENSE</b>			
Current tax (MAT)		6,200,000.00	48,000,000.00
Less: MAT credit		6,005,678.00	---
Net current tax		194,322.00	48,000,000.00
Deferred tax		(1,261,127.27)	6,263,185.44
Tax adjustment of earlier years		44,636.00	---
<b>Profit for the period</b>		<b>33,489,878.30</b>	<b>96,473,465.32</b>
Earning per equity share [Nominal value of share Rs. 10 (31.03.2011 - Rs. 10)]			
Basic		3.70	11.10
Diluted		3.17	9.13

Significant accounting policies and notes to financial statements 1 to 43

Notes referred above forms integral part of the statement of profit and loss

As per our report of even date attached

**For Sundarlal, Desai & Kanodia**  
**Chartered Accountants**  
 Sd-  
 H. P. Kanodia (Partner)  
 Mem. No. 40617  
 Place : Mumbai  
 Dated : 11th August 2012

**For and on behalf of Board of Director**

Sd-  
 Director

Sd-  
 Director

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

31-03-2012 (Rs.) 31-03-2011 (Rs.)

### NOTE 1

#### SHARE CAPITAL

##### AUTHORISED CAPITAL

1,20,00,000 Equity Shares Of Rs. 10/- Each	120,000,000.00	120,000,000.00
--	----------------	----------------

##### ISSUED, SUBSCRIBED AND PAID UP

90,52,680 (P.Y. 90,52,680) Equity Shares of Rs. 10/- each	90,526,800.00	90,526,800.00
Less: Calls Unpaid	152,000.00	152,000.00
	<b>90,374,800.00</b>	<b>90,374,800.00</b>

(Of these 4,31,080 equity shares of Rs. 10 each fully paid up issued at premium of Rs. 8.59 per share upon conversion of convertible warrants issued on preferential basis in the financial year 2010-11)

#### a) Terms/ rights attached to Equity Shares:

The company has only one class of equity shares having par value of Rs.10/-. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held

#### b) Reconciliation of Outstanding Shares:

Opening as on 1st April	9,052,680.00	8,621,600.00
Add: Issued during the year	--	431,080.00
<b>Closing as on 31st March</b>	<b>9,052,680.00</b>	<b>9,052,680.00</b>

#### c) Details of shareholders holding more than 5% of the total share capital

Name of the Shareholder	No. of shares as on 31st March 2012	No. of shares as on 31st March 2011
Indo Euro Securities Ltd.	1,794,885.00	1,794,885.00
Manisha Dujodwala	853,250.00	853,250.00
Alka Dujodwala	578,790.00	578,790.00
	<b>3,226,925.00</b>	<b>3,226,925.00</b>

### NOTE 2

#### RESERVES AND SURPLUS:

##### Securities Premium Account :-

Balance as per last balance sheet	79,918,977.00	76,216,000.00
Add: On issue of 4,31,080 Equity Shares upon conversion of convertible warrants	---	3,702,977.00
Less: Calls in arrears	152,000.00	152,000.00
	<b>79,766,977.00</b>	<b>79,766,977.00</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

	31-03-2012 (Rs.)	31-03-2011 (Rs.)
<b>General Reserve :-</b>		
Balance as per last balance sheet	20,084,733.14	9,751,428.14
Add: Transferred from statement of profit & loss	10,000,000.00	20,000,000.00
Add: Excess differential excise duty paid in earlier year now reversed	7,218,128.00	---
Less: Sales tax deferment liability (Refer note 35)	11,269,801.00	9,666,695.00
	<b>26,033,060.14</b>	<b>20,084,733.14</b>
<b>Surplus :-</b>		
Balance as per last balance sheet	210,652,469.31	144,717,495.99
Add: Profit for the period	33,489,878.30	96,473,465.32
Less: Appropriations:		
Transferred to general reserve	10,000,000.00	20,000,000.00
Proposed dividend	---	9,037,480.00
Tax on Dividend	---	1,501,012.00
<b>Closing balance in statement of profit &amp; Loss</b>	<b>234,142,347.61</b>	<b>210,652,469.31</b>
	<b>339,942,384.75</b>	<b>310,504,179.45</b>

### NOTE 3

#### SHARE WARRANTS

15,11,777 (P.Y. 15,11,777) Warrants (Each Warrant carries entitlement to subscribe to One Equity Share of Rs.10/- each at a price of Rs. 18.59 per share (refer note 38)

7,025,984.00	7,025,984.00
<b>7,025,984.00</b>	<b>7,025,984.00</b>

### NOTE 4

#### LONG TERM BORROWING

##### Term Loans:

##### Secured Loans - From Banks

##### From Saraswat Co.Op. Bank Limited

Corporate loan 2,444,246.00 28,183,719.00

Secured against first charge on the present and future fixed assets of the company (Land & building, Plant & Machinery) Repayable in 33 months in monthly installment of Rs. 21,22,000/- each.  
Applicable rate of interest is 14.5%

Rupee term loan - I --- 1,005,339.00

Secured against hypothecation of existing Plant & Machinery of the Company.  
Repayable in 24 monthly installment of Rs. 8,75,000/- each.  
Applicable rate of interest is 14.5%.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

	31-03-2012 (Rs.)	31-03-2011 (Rs.)
Rupee term loan - II	24,708,166.00	33,242,471.00
Secured against hypothecation of equipments plant & machinery financed. Repayable in 60 monthly installment of Rs. 7,05,000/- each. Applicable rate of interest is 14.5%.		
Rupee term loan	33,907,423.00	
Equitable mortgage of additional construction on existing land at Kumbhivali, Savroli Kharpada Road, Taluka - Khalapur, Khopoli, Dist. - Raigad. Repayable after a moratorium period of 12 months. Repayable in 71 monthly installments of Rs. 4,75,000/- each. Applicable rate of interest is 14.5%.		
Vehicle Loan	296,718.97	3,571,096.10
(Secured against Vehicle financed and personal guarantee of Shri P.R.Dujodwala, Director of the Company)		
	<b>61,356,553.97</b>	<b>66,002,625.10</b>

### NOTE 5

#### DEFERRED TAX LIABILITY (NET)

Deferred tax liability on account of difference between book depreciation  
and tax depreciation

57,989,846.83 58,376,278.21

Less :Deferred tax assets on account of provision for employee benefits

2,626,317.95 1,751,622.00

**55,363,528.88 56,624,656.21**

### NOTE 6

#### LONG TERM PROVISIONS

##### For Employee benefits:

Provision for gratuity

7,256,268.00 5,273,189.00

Provision for leave encashment

838,409.00 398,352.00

**8,094,677.00 5,671,541.00**

### NOTE 7

#### SHORT TERM BORROWING

##### Loans repayable on demand

Cash Credit from The Saraswat Co. Op. Bank Ltd.

331,890,177.60 196,636,894.25

(Secured against hypothecation of Inventories and book debts of the Company)

Working capital loan

78,162,023.00 ---

**410,052,200.60 196,636,894.25**

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

31-03-2012 (Rs.)    31-03-2011 (Rs.)

### NOTE 8

#### TRADE PAYABLES

Due to Micro, Small and Medium Enterprises	---	---
Due to others	360,187,537.88	440,632,708.19
	<b>360,187,537.88</b>	<b>440,632,708.19</b>

### NOTE 9

#### OTHER CURRENT LIABILITIES

Current maturities of long term debts	37,949,906.98	47,914,388.81
Unpaid dividend	1,094,645.00	547,301.00
<b>Other payables:</b>		
TDS payable	631,133.00	976,380.00
Sales tax payable	2,074,796.32	2,109,461.75
Other statutory dues payable	215,979.00	199,813.00
Excise duty payable on closing stock of finished goods	6,056,847.00	10,098,684.00
Sundry creditors	25,437,868.88	15,401,069.67
Advance from customers	6,827,785.63	43,133,914.42
Other payables (#)	41,588,325.33	33,085,824.04
	<b>121,877,287.14</b>	<b>153,466,836.69</b>

(#) Includes Rs. 3,28,30,257/- (PY 2,24,04,331/-) payable to concerns in which Directors or their relatives are interested.

### NOTE 10

#### SHORT TERM PROVISIONS

##### For others:

Provision for dividend	---	9,037,480.00
Provision for tax on dividend	---	1,501,012.00
Provision for income tax (net of advance tax & TDS)	---	37,829,008.35
	---	<b>48,367,500.35</b>



## DUJODWALA PRODUCTS LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

#### NOTE - 11

#### TANGIBLE ASSETS:

Particular	GROSS CARRYING AMOUNT		DEPRECIATION			NET CARRYING AMOUNT	
	As on 01.04.2011	Addition/ adjustment	Deduction/ adjustment	As on 31.03.2012	Upto 31.03.2011 For the Year	Deduction Upto 31.03.2012	As on 31.03.2012
Land	2,906,900.13	12,776,187.00	-	15,683,087.13	-	-	15,683,087.13
Residential Premises	5,435,483.15	-	-	5,435,483.15	88,598.38	2,382,497.07	3,052,986.08
Factory Building	95,129,647.03	5,340,869.43	-	100,470,516.46	37,896,421.97	41,140,990.25	59,329,526.21
Plant and Machinery	561,634,879.21	31,933,698.20	-	593,568,577.41	231,587,372.39	263,393,394.71	330,175,182.70
Vehicles	21,400,268.07	1,848,606.21	2,538,619.00	20,710,255.28	4,903,834.78	594,332.50	14,524,240.50
Furniture & Fixture	6,852,507.09	177,132.27	-	7,029,639.36	2,504,795.38	2,972,061.15	4,057,578.21
Computers	1,866,740.78	348,233.61	-	2,214,974.39	686,722.87	998,684.52	1,216,289.87
Office Equipments	27,294,318.81	403,157.33	-	27,697,476.14	18,636,315.77	18,932,342.46	8,765,133.68
Office Premises	366,131.40	-	-	366,131.40	138,405.29	144,373.22	221,758.18
			-	-			
<b>Total</b>	<b>722,886,875.67</b>	<b>52,827,884.05</b>	<b>2,538,619.00</b>	<b>773,176,140.72</b>	<b>298,647,767.14</b>	<b>594,332.50</b>	<b>437,025,782.55</b>
<b>Previous year</b>	<b>632,850,952.74</b>	<b>92,169,971.93</b>	<b>2,134,049.00</b>	<b>722,886,875.67</b>	<b>264,193,362.73</b>	<b>298,647,767.14</b>	<b>368,657,590.01</b>

## NOTE - 12

### **NON -CURRENT INVESTMENT**

(Valued at cost unless otherwise stated)

#### **(Unquoted, non-trade)**

2500 (2500) Equity Shares with face value of Rs. 10/ each of the  
Saraswat Co.Op.Bank Ltd.,

	25,000.00	25,000.00
	<b>25,000.00</b>	<b>25,000.00</b>
(Aggregate amount of unquoted investment)	25,000.00	25,000.00
(Provision made for diminution in value of investment)	---	---

## NOTE - 13

### **LONG -TERM LOANS AND ADVANCES**

(Unsecured, considered good)

Capital advances	4,363,869.42	985,041.00
Security deposits	1,935,563.06	4,238,533.06
Loans and advances to related parties (#)	33,480,616.00	37,064,853.00
	<b>39,780,048.48</b>	<b>42,288,427.06</b>

(#) includes advances given to concerns in which Directors or their relatives are interested

## NOTE - 14

### **INVENTORIES**

(As taken, valued and certified by the Management)

Raw materials	333,849,737.00	308,514,942.00
(Including goods in transit of Rs 6,75,34,000/- (PY Rs. 4,32,672/-)		
Work-in-process	64,448,650.00	58,349,565.00
Finished goods	129,223,397.64	186,875,613.44
Stores and spares	3,350,000.00	2,500,000.00
Power & fuel	6,599,690.00	3,151,264.00
Packing materials	1,469,000.00	1,106,751.00
	<b>538,940,474.64</b>	<b>560,498,135.44</b>

## NOTE - 15

### **TRADE RECEIVABLES**

(Unsecured, considered good)

Outstanding for more than 6 months from due date	4,769,420.78	1,429,086.82
Outstanding for less than 6 months from due date	272,099,526.05	185,158,321.64
	<b>276,868,946.83</b>	<b>186,587,408.46</b>

## NOTE - 16

### **CASH AND BANK BALANCES**

#### **CASH AND CASH EQUIVALENTS:**

Balance with banks	6,037,519.59	12,694,721.68
Cash on hand	233,631.97	539,181.44
	<b>6,271,151.56</b>	<b>13,233,903.12</b>

**OTHER BANK BALANCES:**

Balance in unpaid dividend account	1,109,845.00	547,301.00
Margin money deposits (Fixed deposits pledged with bank)	33,281,120.09	19,145,612.00
	34,390,965.09	19,692,913.00
	<b>40,662,116.65</b>	<b>32,926,816.12</b>

**NOTE 17**
**SHORT TERM LOANS AND ADVANCES**

(Unsecured, considered good)

Others	13,784,837.60	29,477,173.90
Balance with excise authorities	65,729,327.83	85,239,201.23
Advance income tax and TDS (net of provisions)	97,645.65	---
	<b>79,611,811.08</b>	<b>114,716,375.13</b>

**NOTE 18**
**OTHER CURRENT ASSETS**

Prepaid expenses	381,811.60	882,624.00
MAT Credit entitlement	6,005,678.00	---
	<b>6,387,489.60</b>	<b>882,624.00</b>

**NOTE 19**
**REVENUE FROM OPERATIONS**
**Sale of Products**

Local Sales	2,052,007,811.73	1,762,084,787.83
Less: Excise duty	187,257,248.50	171,296,654.00
	1,864,750,563.23	1,590,788,133.83
Export Sales	137,315,799.23	214,752,229.39
Trading Sales	200,205,454.41	101,979,612.18
	<b>2,202,271,816.87</b>	<b>1,907,519,975.40</b>

**Details of sale of products:**

Camphor and by products	1,325,794,642.83	1,366,381,125.22
Synthetic & P.F. Resin	591,373,242.98	379,342,502.00
Rosin, R. Resin and Others	285,103,931.06	161,796,348.18

**NOTE 20**
**OTHER INCOME**

Foreign exchange fluctuation (net)	---	7,234,205.00
Excise duty refund	4,797,809.00	---
Dividend on non current investments	4,583.00	---
Export benefit	1,568,278.00	1,457,144.44
Miscellaneous income	266,227.12	---
	<b>6,636,897.12</b>	<b>8,691,349.44</b>

**NOTE 21**
**COST OF MATERIALS CONSUMED:**

Inventory at the beginning of the year	308,514,942.00	54,048,063.00
Add: Purchase	1,540,379,100.37	1,731,913,150.00
	1,848,894,042.37	1,785,961,213.00
Less: Inventory at the end of the year	333,849,737.00	308,514,942.00
Cost of materials consumed	<b>1,515,044,305.37</b>	<b>1,477,446,271.00</b>
<b><u>Product wise details of materials consumed:</u></b>		
Turpene chemicals	853,035,698.22	685,440,029.00
Phenol and others	662,008,607.15	792,006,242.00

**NOTE 22**
**TRADING PURCHASE**

Trading purchases	189,178,372.77	82,913,803.53
	<b>189,178,372.77</b>	<b>82,913,803.53</b>
<b><u>Product wise details of trading purchase:</u></b>		
Rosin and other chemicals	189,178,372.77	38,434,400.00
Camphor and by products	---	44,479,403.53

**NOTE 23**
**(INCREASE)/ DECREASE IN INVENTORIES**
**Inventories at the end of the year**

Work-in-progress	64,448,650.00	58,349,565.00
Finished goods	129,223,397.64	186,875,613.44
	<b>193,672,047.64</b>	<b>245,225,178.44</b>

**Inventories at the beginning of the year**

Work-in-progress	58,349,565.00	12,456,400.00
Finished goods	186,875,612.89	94,591,220.51
	<b>245,225,177.89</b>	<b>107,047,620.51</b>
	<b>51,553,130.25</b>	<b>(138,177,557.93)</b>

**NOTE 24**
**EMPLOYEE BENEFIT EXPENSES**

Salaries, wages and bonus	50,444,326.91	40,138,965.30
Salaries to Directors	9,034,150.00	7,717,520.00
Contribution to provident and other funds	988,264.00	978,401.00
Gratuity expenses	2,376,673.00	2,233,986.00
Staff welfare expenses	2,755,437.48	2,237,062.66
	<b>65,598,851.39</b>	<b>53,305,934.96</b>

**NOTE 25**
**FINANCE COSTS:**

On term loan	14,260,456.00	14,572,804.00
On other facilities	37,740,910.95	15,716,531.00
Interest to others	8,170,651.52	5,900,595.39
Less:		
Interest received on fixed deposits	1,880,070.42	2,033,013.87
Interest received from others	160,148.00	---
Net interest expenses	58,131,800.05	34,156,916.52
Bank and LC charges	8,347,943.69	8,524,247.00
	<b>66,479,743.74</b>	<b>42,681,163.52</b>

**NOTE 26**
**OTHER EXPENSES**
**Manufacturing expenses:**

Consumption of stores and spare parts	4,700,914.96	4,126,728.44
Power and fuel	106,032,383.99	88,922,345.22
Consumption of packing materials	20,391,228.39	14,408,754.24
Boiler expenses	2,097,294.00	1,642,947.00
Repairs to:		
Building	12,376,459.00	5,032,544.75
Machinery	6,331,285.12	3,100,863.40
Excise duty on variation of closing stock of finished goods	(4,041,837.00)	8,762,919.23

**Administrative and other expenses:**

Export expenses	10,898,563.46	12,633,597.01
Freight and forwarding	50,231,959.58	40,051,305.06
Foreign exchange fluctuation (net)	3,810,400.81	---
Insurance	1,693,997.74	827,818.22
Legal and professional fees	1,093,983.30	2,682,813.00
Loss on sale fixed assets	1,173,483.14	730,204.22
Rebate and discounts on sales	4,281,679.64	2,638,562.76
Rates and taxes	2,923,739.52	2,724,221.79
Travelling & conveyance	6,680,396.05	8,153,636.28
Miscellaneous expenses	19,231,746.22	14,762,784.19
Payment to auditor:		
Audit fees	250,000.00	250,000.00
Tax audit fees	75,000.00	75,000.00
Other services	257,000.00	257,000.00
	<b>250,489,677.92</b>	<b>211,784,044.81</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

### NOTE 27

#### Significant accounting policies

**a) Basis of preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India. The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

**b) Use of estimates**

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

**c) Tangible assets and depreciation**

Fixed Assets are stated at cost net of Cenvat / value added tax and includes amount added on revaluation less accumulated depreciation and impairment loss, if any. All Cost is inclusive of freight, duties, (net of tax credits as applicable) levies and any directly attributable cost till commencement of commercial production.

Depreciation on fixed assets is provided as per the straight line method (SLM) at the rate and in the manner prescribed in schedule XIV of the Companies act, 1956 on prorata basis. Fixed Assets are capitalized at cost inclusive of expenses and interest wherever applicable.

**d) Valuation of inventory**

- A) Raw Materials, General Stores & Packing Material are valued at cost or net realizable value, whichever is lower.
- B) Work-in-progress is valued at cost of materials or their net realizable value, whichever is lower and labours together with relevant factory overheads.
- C) Finished goods are valued at cost or market value whichever is less. The value includes excise duty paid/payable on such goods.

Due consideration is given to the salability of the stocks and no obsolete or unserviceable damaged items included therein except at their net realizable value.

**e) Revenue recognition**

- A) Sales are recognized, net of returns and trade discounts, on dispatch of goods to customers and are reflected in the accounts at gross realizable value i.e. Inclusive of excise duty.
- B) In appropriate circumstances, revenue (Income) is recognized when no significant uncertainty as to measurability or collectibles exists and in case of export benefits/incentives are accounted on accrual basis.
- C) Interest income is recognized on time proportionate method.

**f) Employee retirement benefits**

**A) Defined Contribution Plans:**

The Company has defined contribution plan for Post -employment benefits in the form of Provident fund for all eligible employees; which is administered by the Regional Provident Fund Commissioner. Company has no further obligations beyond its monthly contribution.

**B) Defined Benefits Plans:**

Funded Plan: The Company has defined benefit plan for Post-employment benefit in the form of Gratuity for all

employees.

Liability for above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

**C) Other Long Term Employee Benefits:**

Liability for compensated absence (unutilized leave benefit) is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method in respect of past services.

D) Termination benefits are recognized as an expense as and when incurred.

E) The actuarial gains and losses arising during the year are recognized in the statement of profit and loss of the year without resorting to any amortization.

**g) Investments**

Long term Investments are stated at cost. Temporary fall in market value, if any, is not provided for. Current Investments are carried at lower of cost and fair value.

**h) Foreign currency transactions**

A) Transactions entered into and concluded during the year in foreign currency are recorded at the actual exchange rates prevailing at the time of the transactions.

B) Transactions in foreign currency are recorded at the original rate of exchange in-force at the time transactions are affected. Foreign Currency transactions remaining unsettled at the year-end are translated at the rate prevailing on the balance sheet date. The difference in translation of monetary assets and liabilities of realized gains or losses on foreign exchange transaction are recognized in the statement of profit and loss.

**i) Borrowing costs**

Borrowing costs that are attributable to the acquisition or construction of fixed assets are capitalised as part of the cost of such assets for the period until the asset is ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred. A qualifying asset is one that takes substantial period of time to get ready for intended use.

**j) Taxes**

A) Provision for current taxation is made for the current accounting period (reporting period) on the basis of the taxable profits computed in accordance with Income Tax Act 1961 for relevant assessment year.

B) Deferred Tax resulting from "timing differences" between book and tax profits is accounted for under the liability method, using the tax rates and laws that has been enacted as of the balance sheet date, to the extent that the timing differences are expected to crystallize as deferred tax charge / benefit in the statement of Profit and Loss and as deferred tax asset or liabilities in the Balance Sheet. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

**k) Provisions, contingent liabilities and contingent assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent Liabilities are disclosed separately.

**l) Impairment**

At each balance sheet date, the Management reviews the carrying amounts of assets and goodwill included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the assets and goodwill is estimated in order to determine the extent of

impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific to the assets.

Reversal of impairment loss is recognized immediately as income in the statement of profit and loss.

**m) Excise duty and CENVAT credit**

Excise duties recovered are included in Sales and shown separately in financial statement as deduction from sales. Excise duty provision made in respect of finished goods lying at factory premises are shown separately as an item of manufacturing and other expenses and included in the valuation of finished goods. Cenvat credit available on purchases of service / materials / capital goods is accounted by reducing cost of services / materials / capital goods. Cenvat credit availed of is accounted by way of adjustment against excise duty payable on dispatch of finished goods.

**n) Customs duty**

Customs Duty on goods lying in Custom Bonded Warehouse is charged in the year of clearance of goods when it becomes payable.

## NOTE 28

### Contingent liabilities - Not provided for in respect of

**a)**

	31 <sup>st</sup> March 2012 (Rs.)	31 <sup>st</sup> March 2011 (Rs.)
Bank Guarantee	32,72,420	2,05,000

Bank guarantees issued by banks on behalf of the company Rs. 34.72 Lacs (Previous Year Rs.2.05 Lacs). These are secured by the charge created in favour of the company's bankers by way of pledge of Fixed Deposit Receipts.

**b) Excise Duty**

	31 <sup>st</sup> March 2012 (Rs.)	31 <sup>st</sup> March 2011 (Rs.)
Feb 04 to May 05 (Price Difference)	2,47,49,315	2,47,49,315
April 99 to March 04 (Central excise duty)	11,58,94,818	11,58,94,818
April 04 to Nov 04 (Central excise duty)	1,01,92,867	1,01,92,867
Dec 04 to Sept 05 (Central excise duty)	81,44,105	81,44,105

A) In the earlier year the Company received Show Cause Notice from the Excise Department for the period July 1999 to May 2005 demanding sum of Rs.6,89,27,843/- for Excise Duty on price difference which included Rs. 4,41,78,530/- related to July 1999 to January 2004. As per the order of Customs & Central Excise Settlement Commission dated 06.11.2006 demand for period July 1999 to January 2004 was determined at Rs 3,80,84,939 with simple interest of 10% p.a. from the date the duty was due till it was paid. Aggrieved by the said order the Company filed writ petition on H'ble High Court, Mumbai challenging the calculation of excise duty determined/settled for Rs. 3,80,84,939/-. According to the direction of the H'ble High Court the Settlement Commission, Additional Bench, Mumbai passed an order dated 24<sup>th</sup> June 2009 and reduced determined/settled excise duty from Rs. 3,80,84,939/- to Rs. 3,34,06,319/-. The company sought review and direction from Settlement Commission regarding credit of payment made by it of Rs. 4,06,24,448/- during the pendency of writ petition and thereafter. Now as per the Settlement Commission order dated 26<sup>th</sup> July 2011, the duty amount has reached to finality and is settled at Rs. 3,34,06,319/- and it was also clarified the manner of payment and credit to be granted to company.

Thus the proceedings conducted earlier in the case could not reach finality as to the quantum of total duty liability and mode of payment till final order dated 26<sup>th</sup> July 2011 passed by settlement commission wherein it was also directed to recalculate the interest amount and the manner in which credit for payment is to be availed



by the company. Now as per the Settlement Commission order dated 26<sup>th</sup> July 2011, the duty amount has reached to finality and is settled at Rs. 3,34,06,319/-

The Company has paid an aggregate amount of Rs. 4,06,24,448/- during the pendency of writ petition and proceeding thereafter which was debited to general reserve during the financial year ended 31<sup>st</sup> March 2007 as payment of earlier period and had not claimed as expenses. Since the liability has been finalised during the current year and has been reduced by Rs. 72,18,129/- the said amount is again credited to general reserve account by debiting appropriate excise duty account. **Further, with respect to the final liability of Rs. 3,34,06,319/-, the company should have credited the said amount to General Reserve and debited equal amount to Statement of Profit & Loss but had not done so as a result profit has been over stated to that extent for the year.**

For the demand of Rs. 2,47,49,315/- for the period Feb 04 to May 05, the Company has received order in its favour from the CESTAT against the Order passed by the Commissioner of Central Excise & Custom against which the department has filed an civil appeal in Supreme Court for condonation of delay in filling the Petition of appeal.; hence no provision has been made in books of account for Excise duty of Rs 2,47,49,315/-.

- B) The Excise department has gone in appeal against the Show Cause Notice decided in favour of Company by Commissioner of Central Excise and Customs (Appeals) for Rs.11,58,94,818/- in respect of Excise Duty on Turpentine & Rosin manufactured (exempted from excise manufactured without aid of power) for the period April 99 to March 04. The Company has further received Show Cause Notice from the Department for the period April 04 to November 04 of Rs. 1,01,92,867/- for which the Company has obtained Stay Order from the CESTAT against the Order passed by the Commissioner against it, hence no provision has been made in books of account. Further show cause notice for the period December 04 to September 05 for Rs 81,44,105/- have been received, and the same is pending before the Commissioner of Central Excise & Custom for adjudication, not provided for in books of account.

c) **Claim not acknowledged**

	31 <sup>st</sup> March 2012 (Rs.)	31 <sup>st</sup> March 2011 (Rs.)
Others	9,10,000	9,10,000

The (Other) claim against company not acknowledged as debt is for suite filed in Mumbai High court for Rs 7.65 lac by Mumbai Port Trust and claim for Rs 1.27 lac by Marine Container Service Ltd and Rs 0.18 lac by Pacific International Ltd as damages charges for container received through them.

- d) Letter of credit issued by the bankers of the company Rs. 26,36,50,194/- (P.Y. Rs. 15,95,45,533/-)
- e) **In respect of income tax matter:** During the year, assessment for AY 2009-10 was completed wherein the assessing officer (AO) has disallowed claim of set off of unabsorbed depreciation of Rs. 22,57,397/-. Aggrieved by the order of AO, the company has preferred an appeal before Commissioner of Income Tax (Appeals) which is not yet heard and hence no provision is made in books.
- f) The Company has cleared 19 MT of Pentaerythritol against Bill of Entry No. 616414 dated 20.10.2005. The custom department had asked the Company to pay Rs. 2,16,772/- on account of Anti Dumping Duty for clearance of the said goods as per Notification No. 93/2005 of customs issued on 20.10.2005 wherein the said goods were covered for levy of anti dumping duty imported from certain countries. The Company has deposited the said amount on 25.11.2008 as per CESTAT order No. S/603/WAB/MUM/2008/CSTB/CII dated 20.10.2008, but no provision has been made in books of accounts as the management is of the view that the consignment will not be covered under the notification, as on date of clearance of the goods the notification was not published in Gazette of India.

## NOTE 29

### Expenditure in Foreign Currency on account of

	Current Year (Rs. In lacs)	Previous Year (Rs. In lacs)
- Raw Material (CIF)	9,557.86	12,081.61
- Travelling Expenses	30.98	31.63
- Purchase of Trading Goods	660.01	536.81

## NOTE 30

### Earning in Foreign Currency on Account of

	Current Year (Rs. In lacs)	Previous Year (Rs. In lacs)
Exports made on FOB Basis	1,299.21	2,037.79

## NOTE 31

### Segment reporting

The Company is mainly engaged in the business of Manufacturing of Chemicals. Considering the nature of business and financial reporting of company, the company has only one segment viz "Chemicals" product as reportable segment. The company operates in Local/Export segment geographically of which the exports have amounted to Rs. 1,373.16 Lacs (P.Y.Rs. 2,147.52 lacs) out of Total Turnover of Rs. 22,022.72 Lacs (P.Y. Rs. 19,075.20 lacs). But due to the nature of business, the assets/liabilities and expenses for these activities cannot be bifurcated separately.

## NOTE 32

The Company does not have complete information to determine Micro, Small and Medium Enterprises as specified in Micro, Small and Medium Enterprises Development Act, 2006 hence it is not possible for us to verify the amount due to such enterprises.

## NOTE 33

In consonance with the Accounting Standards on Inventory Valuation (AS2) and Guidance Note on Accounting Treatment for Excise issued by The Institute of Chartered Accountants of India, the Company has provided for liability of excise duty payable on finished goods amounting to Rs 60.57 Lacs (Rs. 100.99 Lacs).

## NOTE 34

### Earnings per share (EPS)

Sl. No.	Description	31 <sup>st</sup> March 2012	31 <sup>st</sup> March 2011
a)	Weighted average number of equity Shares of Rs.10/- each		
i)	Number of shares at the Beginning of the year	90,52,680	86,21,600
ii)	Number of shares at the End of the year	90,52,680	90,52,680
	Weighted average number of Equity Shares – Basic	90,52,680	86,94,825
	Weighted average number of Equity Shares – Diluted	1,05,64,457	1,05,64,457
b)	Net profit after tax available for Equity share-holders	3,34,89,878	9,64,73,465
c)	- Basic Earnings per Equity Share (in Rupees)	3.70	11.10
	- Diluted Earning per Equity Share (in Rupees)	3.17	9.13

## NOTE 35

The Company was earlier enjoying the benefit of sales tax deferment under state incentive package scheme as the unit was

situated in a state notified backward area. During the earlier period i.e. 1997-98 to 2001-02 the deferred sales tax liability of Rs. 4,23,76,294/- was included in sales and not shown as liability. Therefore the unsecured liability of sales tax deferment as shown in the balance sheet is understated to an extent of Rs. 4,23,76,294/- for which no provision was made and Reserve & Surplus have been overstated to that extent. In current year the company has paid Rs. 1,12,69,801/- (P.Y. Rs. 96,66,695/-) out of the above mentioned deferred sales tax liability which is debited to General Reserve hence reserve & surplus as on 31<sup>st</sup> March 2012 is now overstated to the extent of Rs. 2,06,99,091 only.

## NOTE 36

### Related parties disclosure as per Accounting Standard 18.

[A] Key Management Personal (KMP) and their Relatives.

Kamalkumar R. Dujodwala	Chairman
Pannkaj R. Dujodwala	Managing Director
S.C Sen	Whole Time Director
Mrs. Manisha P. Dujodwala	Spouse of Managing Director
Mrs. Alka K Dujodwala	Spouse of Chairman
Mrs. Shampa Sen	Spouse of whole time Director

[B] Companies/Firm controlled by Directors/Relatives who have the authority and controlling their activities.

- Balaji Pine Chemicals Ltd
- Speciality Chemicals
- Dujodwala Resin & Terpenes Ltd.
- Indo-Euro Securities Ltd.
- Dujodwala Exports Pvt. Ltd.
- The directors are the key management Personal (KMP) who have the authority and controlling the activities of the Company.

[C] Information on related party transactions as required by accounting Standard-18 for the year ended 31-03-2012.

	Directors		Relatives of Directors		Companies Controlled by Directors / Relatives/Associates	
Nature of Transaction	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Sale of Goods (Including Consignment Sales)	-	-	-	-	38,17,617	24,81,338
Remuneration	90,34,150	77,17,520	9,96,540	9,96,540	-	-
Closing Balance as on balance sheet date:						
Debit Balance	-	-	-	-	3,22,22,856	3,65,47,717
Credit Balance	-	-	-	-	3,28,30,257	2,24,04,331

Note: - Related party relationship is as identified by the Company and relied upon by the Auditors.

## NOTE 37

### Disclosure in accordance with Revised AS - 15 on "Employee Benefits"

The Company has classified the various benefits provided to employees as under:-

#### (i) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

	For the year ended March 31, 2012	For the year ended March 31, 2011
Employers Contribution to Provident Fund	9,88,264.00	9,78,401.0

(i) **Defined Benefit Plan  
Gratuity Fund:**

<b>a. Major Assumptions</b>	<b>For the year ended March 31, 2012</b>	<b>For the year ended March 31, 2011</b>
	(% p.a.)	(% p.a.)
Discount Rate	8.25	8.25
Expected Rate of Return on Plan Assets	8.00	8.00
Salary Escalation Rate	5.00	5.00
Attrition Rate	2.00	2.00
@ The estimates for the future salary increases considered takes into account the Inflation, seniority, promotion and other relevant factors.		
<b>b. Change in the Present Value of Obligation</b>		
Present Value of Obligation as at 1 <sup>st</sup> April	52,73,189	30,39,203
Current Service Cost	5,79,714	3,65,578
Interest Cost	4,35,038	2,80,894
Benefit Paid	(3,93,594)	-
Actuarial Loss on Obligations	13,61,921	15,87,514
Present Value of Obligation as at 31 <sup>st</sup> March	72,56,268	52,73,189
<b>c. Change in Fair Value of Plan Assets</b>		
Present Value of Plan Assets as at 1 <sup>st</sup> April	-	-
Expected Return on Plan Assets	-	-
Actuarial (Loss) on Plan Assets	-	-
Contributions	-	-
Benefits paid	-	-
Present Value of Plan Assets as at 31 <sup>st</sup> March	-	-
<b>d. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets</b>		
Present value of Funded Obligation as at March 31, 2012	72,56,268	52,73,189
Fair Value of Plan Assets as at March 31, 2012	-	-
Funded Status	-	-
Present Value of Unfunded Obligation as at March 31, 2012	72,56,268	52,73,189
Unfunded Net Liability Recognised in the Balance Sheet Disclosed in long term provisions	72,56,268	52,73,189
<b>e. Amount Recognised in the Balance Sheet</b>		
Present Value of Obligation as at March 31, 2012	72,56,268	52,73,189
Fair Value of Plan Assets as at March 31, 2012	-	-
Liability Recognised in the Balance Sheet and disclosed under long term provisions	72,56,268	52,73,189
<b>f. Expenses Recognized in the Statement of Profit and Loss</b>		
Current Service Cost	5,79,714	3,65,578
Interest Cost	4,35,038	2,80,894
Expected Return on Plan Assets	-	-
Net Actuarial Losses Recognised in the Statement of Profit and Loss	13,61,921	15,87,514
Total expenses Recognised in the Statement of Profit and Loss	23,76,673	22,33,986
Actual Return on Plan Assets	Nil	Nil

#### NOTE 38

Pursuant to the approval of the members by way of special resolution passed at the Extra-Ordinary General Meeting of the Company held on 28<sup>th</sup> December 2009, the Company has allotted 19,42,857 warrants on 25<sup>th</sup> February 2010. Each warrant carried entitlement to subscribe for one equity share of Rs. 10/- each at a premium of Rs. 8.59/- per share. The subscriber to warrant had paid 25% amount being Rs. 90.29 lacs on application. The holders of the warrants were entitled to exercise the right to apply for Equity Shares in one or more tranches but within 18 months from the date of allotment of Warrants, subject to full payment of the exercise price. In the event the proposed allottees does not exercise the right to subscribe to the equity shares within a period of 18 months from the date of allotment of warrants, the amount paid by the proposed allottees shall stand forfeited and the proposed allottees shall not be entitled for refund of the same. Out of the above , 4,31,080 warrants have been converted into equity shares during the year ended 31<sup>st</sup> March 2011 and full payment have been received by the company from the allottees of the above stated equity shares and listing of the aforesaid 4,31,080 shares is still pending with Bombay Stock Exchange.

#### NOTE 39

Provision for current taxation is made for the current accounting period (reporting period) on the basis of the taxable profits computed in accordance with Income Tax Act 1961 for relevant assessment year. As per the normal provision of Income Tax Act, 1961, there are no taxable profits and hence tax provision has been made as per provisions of section 115JB of the IT Act, 1961.

#### NOTE 40

As at March 31, 2012, the company has reviewed the future earnings of all the cash generating units in accordance with the Accounting Standard 28 "Impairment of Assets. As the carrying amount of assets does not exceed the future recoverable amount, consequently, no adjustment to carrying amount of assets is considered necessary by the Management.

#### NOTE 41

The balance of Sundry Debtors, Sundry Creditors, Loans & Advances and others are as per books and subject to confirmations and reconciliation if any.

#### NOTE 42

In the opinion of the Board and to the best of their knowledge the value of realization of current assets, loans & advances in the ordinary course of business, would not be less than the amount at which they are stated in the Balance Sheet.

#### NOTE 43

Till the year ended 31st March 2011, the company was using pre-revised Schedule VI to the Companies Act, 1956, for preparation and presentation of its financial statements. During the year ended 31st March 2012, the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the company. The company has reclassified previous year figures to conform to this year's classification.

**For Sundarlal, Desai & Kanodia**  
**Chartered Accountants**

Sd-  
**H. P. Kanodia**  
**Partner**  
**Mem. No. 40617**  
Place : Mumbai  
Dated : 11th August 2012

**For and on behalf of Board of Directors**

Sd/-  
**Kamalkumar Dujodwala Chairman**  
Sd/-  
**Pannkaj Dujodwala - Managing Director**

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	For the year ended March 31, 2012	For the year ended March 31, 2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit Before Tax	32,467,709.03	150,736,650.76
<b>Adjustment For :</b>		
Depreciation	38,096,923.52	35,521,014.19
Interest	66,479,743.74	42,681,163.52
Loss on sale of Fixed Assets	1,173,483.14	730,204.22
<b>Operating Profit before Working Capital Changes</b>	<b>138,217,859.43</b>	<b>229,669,032.69</b>
<b>Adjustment For :</b>		
Trade & Other Receivables	-50,857,687.69	-115,896,210.08
Inventories	21,557,660.80	-394,859,890.93
Trade and other Payables	-110,185,593.03	242,885,970.01
<b>Cash used in Operations</b>	<b>-1,267,760.49</b>	<b>-38,201,098.31</b>
Income tax Paid	-38,165,612.69	-30,141,533.00
<b>Net Cash from Operating Activities - I</b>	<b>-39,433,373.18</b>	<b>-68,342,631.31</b>
<b>B. Cash Flow from Investing Activities :</b>		
Purchase of Fixed Assets	-74,657,337.94	-91,572,238.43
Sale of Fixed Assets	770,803.00	320,000.00
Purchase of Investments	0.00	25,000.00
<b>Net Cash used in Investing Activities - II</b>	<b>-73,886,534.94</b>	<b>-91,227,238.43</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Conversion of warrants into Equity Shares	0.00	6,010,333.00
Proceeds from Short Term Borrowings	213,415,306.35	107,733,117.93
(Repayment)/ proceed of/ from long term borrowings	-14,610,552.96	78,925,539.80
Interest Paid	-66,479,743.74	-42,681,163.52
Payment of sales tax deferrment loan	-11,269,801.00	-9,666,695.00
<b>Net cash generated from financing activities - III</b>	<b>121,055,208.65</b>	<b>140,321,132.21</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>7,735,300.53</b>	<b>-19,248,737.53</b>
<b>Opening Balance of Cash &amp; Cash Equivalents</b>	<b>32,926,816.12</b>	<b>52,175,555.15</b>
<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>40,662,116.65</b>	<b>32,926,816.12</b>

**Notes:**

1. Cash & Cash Equivalents represents cash and bank balances.
2. The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
3. Proceeds from Long Term and Short Term borrowings are shown net of Repayments.
4. Proceeds from conversion of warrants into Equity Shares are shown including share premium received
5. Previous year's figures have been regrouped where necessary to conform to the year's classification.
6. Figures in brackets represents Cash Outflow.

**For Sundarlal, Desai & Kanodia**  
**Chartered Accountants**  
 Sd-  
 H. P. Kanodia (Partner)  
 Mem. No. 40617  
 Place : Mumbai  
 Dated : 11th August 2012

For and on behalf of Board of Director

Sd-  
Director

Sd-  
Director

**ANNEXURE TO SR. NO.3 OF SCHEDULE-12**  
**A) VALUE AND QUANTITY BREAK-UP OF OPENING AND CLOSING STOCK**  
**OF EACH CLASS OF GOODS DEALT WITH BY THE COMPANY**

	Current Year		Previous Year	
	2011-12		2010-11	
	Quantity MT	Value (in lacs)	Quantity MT	Value (in lacs)
<b>a) <u>Manufactured</u></b>				
<b>i) Opening Stock</b>				
Camphor & By Products	650.244	1242.78	419.495	639.49
Synthetic & P.F. Resin	312.98	422.00	167.976	141.44
Rosin, R.Resin & Others	46.115	64.21	49.880	31.31
<b>ii) Closing Stock</b>				
Camphor & By Products	395.597	549.75	650.244	1242.78
Synthetic & P.F. Resin	1905.532	513.74	312.980	422.00
Rosin, R.Resin & Others	16.450	23.17	46.115	64.21
<b>iii) Shortage</b>	0	0	0	0
<b>b) <u>Trading</u></b>				
<b>i) Opening Stock</b>				
Rosin & other Chemicals	25.065	47.54	112.240	58.56
Camphor & By Products	33.781	69.04	90.175	75.05
<b>ii) Closing Stock</b>				
Rosin & other Chemicals	151.867	205.57	25.065	47.54
Camphor & By Products	0.000	0.00	33.781	69.04
<b>iii) Shortage</b>	0	0	0	0

## B) Quantity and Sales Value of Each Class of Goods dealt with by the Company

	Current Year		Previous Year	
	2011-12		2010-11	
	Quantity MT	Value (in lacs)	Quantity MT	Value (in lacs)
<b>a) Manufactured</b>				
Camphor & By Products	9851.158	13257.95	9698.331	13132.53
Synthetic & P.F. Resin	4835.167	5913.73	3630.563	3793.42
Rosin, R.Resin & Others	502.222	848.98	406.248	1129.45
<b>b) Trading</b>				
Rosin & other Chemicals	2016.619	1932.23	431.402	488.52
Camphor & By Products	33.781	70.32	527.929	531.28

## C) Information in respect of Raw Material Consumed and Trading Purchase

	Current Year		Previous Year	
	2011-12		2010-11	
	Quantity MT	Value (in lacs)	Quantity MT	Value (in lacs)
<b>a) Manufactured</b>				
Terpene Chemicals	10019.310	8530.36	22412.760	6854.40
Phenol & Others	9076.880	6620.09	6604.604	7920.06
<b>b) Trading</b>				
Rosin & other Chemicals	2143.420	1891.78	344.227	384.34
Camphor & By Products	0.000	0.00	471.535	444.80

## C) Information in respect of each class of Goods Manufactured.

	Current Year	Previous Year
	2011-12	2010-11
	Quantity MT	Quantity MT
Camphor & By Products	9625.511	9929.080
Synthetic & P.F. Resin	4852.397	3775.570
Rosin & other Chemicals	484.032	402.480

Note: sales & quantity includes net of unit / inter unit transfer



**DUJODWALA PRODUCTS LIMITED**

Regd. Office Kumbhivali Village, Savroli Kharpada Road, Taluka Khalapur, Khopoli-410 203. Dist. Raigad (M.S.)

**PROXY FORM**

DPID\*\* : \_\_\_\_\_

CLIENT ID: \_\_\_\_\_

FOLIO NO. : \_\_\_\_\_

No. of Shares held: \_\_\_\_\_

I/We ..... of ..... in the district of ..... being a member / members of DUJODWALA PRODUCTS LIMITED hereby appoint Shri/Smt. .... of ..... in the district of ..... or failing him Shri/Smt ... of ..... in the district of ..... as my/our proxy to attend and vote for me/us on my/our behalf at the 30<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, 27<sup>th</sup> Sept, 2012 at 11.00 a.m. at the Company Regd. Office Kumbhivali Village, Savroli Kharpada Road, Taluka Khalapur, Khopoli-410 201. Dist. Raigad, Maharashtra.

Re. 1/-  
Revenue  
Stamp

Signed

Date

Notes:

1. The instrument of proxy form shall be deposited at the Regd. Office of the Company not less than 48 hours before the commencement of the meeting. A proxy need not be member.

\*\* Applicable to the members whose shares are held in dematerialized form.

**DUJODWALA PRODUCTS LIMITED**

Regd. Office Kumbhivali Village, Savroli Kharpada Road, Taluka Khalapur, Khopoli-410 203. Dist. Raigad (M.S.).

**ATTENDANCE SLIP**

DPID\*\* : \_\_\_\_\_

CLIENT ID: \_\_\_\_\_

FOLIO NO. : \_\_\_\_\_

No. of Shares held: \_\_\_\_\_

Name of the Member :

Name of the Proxy (to be filled if the proxy attends :

Instead of the Member.

I hereby record my presence at the 30<sup>th</sup> Annual General Meeting being held on Thursday 27<sup>th</sup> Sept, 2012 at 11.00 a.m. at Company Regd. Office Kumbhivali Village, Khalapur, Khopoli-410 203. Dist. Raigad, (M.S.)

Notes :

Member/Proxy Signature.

1. To be signed at the time of handing over this slip.

\*\* Applicable to the members whose shares are held in dematerialized form.

**BOOK – POST**

**To,**

If undelivered please return to:



**DUJODWALA PRODUCTS LIMITED**

812, Tulsiani Chambers,  
Nariman Point,  
Mumbai – 400 021.  
India.



# **30th Annual Report 2011-2012**

**DUJODWALA PRODUCTS LIMITED**