

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the Company	Dai-ichi Karkaria Limited
2	Annual Financial statements for the year ended	31 st March, 2015
3	Type of Audit Observation	Un-qualified
4	Frequency of observation	N.A.

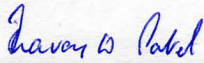
For Dai-ichi Karkaria Limited



Mrs. Shernaz Vakil,
Chairperson and Managing Director



Mr. Nitin Nimkar
Financial Comptroller



Mr. Kavas Patel
Chairman of the Audit Committee



Refer our Audit Report dated 5th May, 2015
on the standalone financial statements of the Company

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



K. A. Katki
Partner
Membership No. 038568
Mumbai, May 5, 2015



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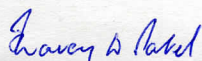
For Dai-ichi Karkaria Limited



Mrs. Shernaz Vakil,
Chairperson and Managing Director



Mr. Nitin Nimkar
Financial Comptroller



Mr. Kavas Patel
Chairman of the Audit Committee



Refer our Audit Report dated 5th May, 2015
on the consolidated financial statements of the Company

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



K. A. Katki
Partner
Membership No. 038568
Mumbai, May 5, 2015





DAI-ICHI

**55th ANNUAL REPORT
2014-2015**

DAI-ICHI KARKARIA LIMITED

[CIN: L24100MH1960PLC011681]

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Annual General Meeting

Date & Time:

Friday, 31st July 2015 at 12.00 p.m.

Venue:

M. C. Ghia Hall,
Bhogilal Hargovindas Building,
4th Floor, 18/20 Kaikhushru Marg,
Mumbai 400 001

Book Closure Dates

July 25, 2015 to July 31, 2015

Dividend Payment Date

14th August, 2015

BOARD OF DIRECTORS:

Mrs. S. F. Vakil

*Chairperson &
Managing Director*

Mr. J. H. C. Jehangir

(resigned w.e.f. 16.01.2015)

Mr. A. H. Jehangir

Mr. K. D. Patel

Dr. A. M. Naik

Mr. K. M. Elavia

Financial Comptroller:

Mr. Nitin Nimkar

Company Secretary:

Mrs. Kavita Thadeshwar

Bankers:

Bank of India

HDFC Bank Ltd.

Kotak Mahindra Bank

Statutory Auditors:

Deloitte Haskins & Sells LLP,
Chartered Accountants, Mumbai

Solicitors:

Bharucha & Partners

Registered Office:

Liberty Building,
Sir Vithaldas Thackersey Marg,
Mumbai – 400 020.
Tel: 2201 7130/2201 5895
email: investor@dai-ichiindia.com
website: www.dai-ichiindia.com

Works:

- 105th Milestone, Mumbai-Pune Marg,
P.O. Kasarwadi, Pune – 411034.
- Kurkumbh Industrial Area, Plot No. D-13,
Village Kurkumbh, Tal. Daund, Dist. Pune.

Registrars and Transfer Agents:

Sharex Dynamic (India) Private Ltd.
Unit 1, Luthra Industrial Premises,
Andheri-Kurla Road, Safed Pool,
Andheri (E), Mumbai – 400 072
Tel: 2851 5606/2851 5644
email: sharexindia@vsnl.com
website: www.sharexindia.com



NOTICE

NOTICE is hereby given that Fifty-Fifth Annual General Meeting of the Members of **DAI-ICHI KARKARIA LIMITED** (L24100MH1960PLC011681) will be held on Friday, the 31st day of July, 2015 at 12.00 p.m. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20 Kaikhushru Dubash Marg, Mumbai – 400 001 to transact the following business:

Ordinary Business

1. To receive, consider and adopt:
 - (a) the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015 and the Reports of Board of Directors and Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2015 and the Report of the Auditors thereon.
2. To declare a dividend for the year ended 31st March, 2015.
3. To appoint a Director in place of Mr. A. H. Jehangir (DIN: 00001752), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To ratify the appointment of Messrs. Deloitte Haskins & Sells LLP, Chartered Accountants, Firm's Registration No. 117366W/W-100018 as 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 such remuneration as shall be fixed by the Board of Directors and the Auditors.

Special Business

5. To appoint Ms. Meher Vakil as Chief Operating Officer of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:
“**RESOLVED THAT** pursuant to the provisions of Section 188(i)(f) of the Companies Act, 2013 (the “Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is accorded to Ms. Meher Vakil, a relative of Mrs. S. F. Vakil, Chairperson & Managing Director, to hold office or place of profit as Chief Operating Officer (COO) w.e.f. 1st September, 2015, as per the terms & conditions and remuneration set out in the Explanatory Statement, which is Annexed to the notice convening the Annual General Meeting.
FURTHER RESOLVED THAT the Company Secretary of the Company be and is hereby authorized to do all such acts and take such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.”
6. To ratify the remuneration payable to Mr. Sudhir Govind Jog, Cost Accountant, (Membership No. 5599) appointed as Cost Auditor of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:
“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), remuneration of ₹ 1,20,000/- plus applicable taxes and reimbursement of actual out of pocket expenses payable to Mr. Sudhir Govind Jog, Cost Accountant, (Membership No. 5599), appointed by the Board of Directors, to conduct the audit of the Cost records of the Company for the financial year ending March 31, 2015, be and is hereby ratified.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board
For Dai-ichi Karkaria Ltd.

Kavita Thadeshwar
Company Secretary

Registered Office:

Liberty Building,
Sir Vithaldas Thackersey Marg,
Mumbai - 400 020.

Place : Mumbai
Date : June 8, 2015

NOTES:

- (1) **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and vote on a poll instead of himself and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy of any other person or member. The instrument of proxy in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.**
- (2) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- (3) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at the Annual General Meeting is annexed.
- (4) The Register of Members and Share Transfer Books of the Company will remain closed from July 25, 2015 to July 31, 2015 (both days inclusive) in connection with the Annual General Meeting.
- (5) Dividend as recommended by the Directors if declared at the meeting, will be payable to those Members whose names appear on the Register of Members as on 31st July, 2015. In respect of the shares in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Ltd and Central Depository Services (I) Ltd. for this purpose as on July 24, 2015. Date of payment will be August 14, 2015.
- (6) The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. Members are therefore requested to update their NECS/Bank details with the Depositories/Share Registrar of the Company.
- (7) Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956 (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified) dividend for the financial year ended 31st March, 2008 and thereafter which remains unclaimed for a period of seven years will be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government. The Shareholders who have not claimed or encashed their dividend warrants for the financial year 2008 and subsequent years are therefore requested to approach the Company in writing with their details to facilitate payment.
The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts. The Company has uploaded the information on the website of the IEPF viz. www.iepf.gov.in and on the website of the Company viz. www.dai-ichiindia.com.
- (8) Members whose shareholding is in physical mode are requested to immediately notify any change in their addresses to M/s. Sharex Dynamic (India) Pvt. Ltd. at Unit – 1, Luthra Ind. Premises, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072 and members whose shareholding is in electronic mode are requested to direct change of their address notification to their respective Depository Participants.
The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to the Depository Participants with whom they maintained – their demat accounts. Members holding shares in physical form should submit their PAN to M/s Sharex Dynamic (India) Pvt. Ltd.
- (9) The Shareholders desiring any information as regards Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
- (10) Members/proxies are requested to bring Attendance Slips and their copies of Annual Report along with them as copies of the Report will not be distributed at the meeting.



- (11) In support of “Green Initiative in Corporate Governance” announced by the Government of India and Clause 32 of the Listing Agreement with the Stock Exchange, Copy of Annual Report alongwith Notice, indicating the process and manner of remote e-voting are being sent by email to those Members whose email addresses have being available to the Depository Participants unless the Member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copy of the Annual Report alongwith Notice will be sent in the permitted mode.

The Company hereby requests the Members holding shares in electronic mode to update their email address with their Depository Participant(s). Members holding shares in physical mode are requested to update their email address by writing to the Registrar of the Company.

- (12) All documents referred to in the Notice & Explanatory Statement are open for inspection to the members at the Registered Office of the Company between 11 a.m. to 1 p.m. on all working days, except Saturday till the date of this Annual General Meeting.
- (13) In terms of clause 49 of the listing agreement, the information relating to directors retiring by rotation and seeking re-appointment/appointment is as under:

Mr. A. H. Jehangir

Brief resume and nature of expertise:

Mr. A. H. Jehangir is a Commerce Graduate and is one of the promoters of the Company. He is a Director of the company since 1986. Mr. Jehangir has experience of more than 25 years in investment business.

Mr. A. H. Jehangir holds 100 equity shares of the Company. Apart from Dai-ichi Karkaria Ltd., Mr. Jehangir holds directorship of the following companies:

Sr. No.	Name of the Company	Designation
1.	Amerado Trading Company	Director
2.	Wild Flower Trading Company	Director
3.	Jehangir Brand Management Pvt. Ltd.	Director

- (14) **Voting through Electronic means:** In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their voting rights at the 55th Annual General Meeting (AGM) by electronic means and the business may be transacted through ‘remote e-voting’ services provided by Central Depository Services (India) Ltd. (CDSL).

(A) The instructions for shareholders voting electronically are as under:

- (i) The remote e-voting period begins on **July 28, 2015 at 10 a.m.** and ends on **July 30, 2015 at 5.00 p.m.** During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **July 24, 2015** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number printed on the Attendance Slip, in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. **DAI-ICHI KARKARIA LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Note for Non-Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.



- (xix) Those persons, who have acquired shares and have become Members of the Company after the despatch of Notice of the AGM by the Company and whose names appear in the Register of Members or Register of beneficial holders as on cut-off date i.e. 24th July, 2015 shall view the Notice of the 55th AGM on the Company's website or on the website of CDSL. Such Members shall exercise their voting rights through remote e-voting by following the procedure as mentioned above or by voting at the AGM.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) M/s Ragini Chokshi & Co., Practicing Company Secretaries, has been appointed as a Scrutinizer to scrutinize the remote e-voting and voting process at the AGM in a fair and transparent manner. E-Voting is optional to the shareholders, the shareholders can alternatively vote in the AGM by physically attending the AGM.

The facility for voting, through ballot paper shall also be made available at the venue of the AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

A Member can opt for only one mode of voting i.e. either through e-voting or in physical form. If a Member casts his/her vote by both modes, then voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid.
- (xxii) The Voting Results along with the Consolidated Scrutinizer's report shall be placed on the Company's website www.dai-ichiindia.com and on the website of CDSL not later than three days of conclusion of the AGM of the Company and communicated to the Bombay Stock Exchange (BSE).

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 REGARDING SPECIAL BUSINESS

Item No. 5:

On recommendation of the Nomination & Remuneration Committee & subject to the approval of Members, the Board of Directors have appointed Ms. Meher Vakil as a Chief Operating Officer (COO) of the Company, with effect from 1st September, 2015, on following terms and conditions:

a) Salary:

₹ 3,20,000/- (Rupees Three Lacs Twenty Thousand Only) per month with annual increments not exceeding 15% effective from 1st April each year, as may be decided by the Board/Committee thereof.

b) Perquisites, Allowances & Incentives:

- i. Rent free unfurnished accommodation or House Rent Allowance of 50 per cent of salary in lieu thereof.
- ii. Use of Company's car with driver.
- iii. Reimbursement of a telephone bill at residence and a cellular phone bill.
- iv. Reimbursement of membership fees of one club.
- v. Statutory benefits such as Medical Reimbursement, Leave Travel Allowance, Contribution to Provident Fund, Gratuity etc. as per the rules of the Company.
- vi. Performance linked incentive/bonus not exceeding ₹ 12,00,000/- (Rupees Twelve Lacs Only) at the end of each financial year, as may be determined by the Board of Directors/Committee thereof.

All allowances, perquisites, etc. shall be valued as per Income Tax Rules, 1962 as amended from time to time, wherever applicable.

Ms. Meher Vakil is a Bachelor of Arts in Economics with Double Concentration in Business Institutions from the Northwestern University, US and has relevant experience in Marketing and Business Development. Prior to her appointment as COO of the Company, she was a Director of Sales in a New York based Company.

As per the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, approval of members is required for appointment of a Related Party to office or place of profit at a remuneration exceeding the specified limits.

The resolution is recommended to the shareholders for passing as an Ordinary Resolution.

Except Mrs. S. F. Vakil, Chairperson & Managing Director and her relatives (to the extent of their shareholding interest in the Company), no Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

Item No. 6

The Board, on recommendation of the Audit Committee, has approved the appointment of Mr. Sudhir Govind Jog, Cost Accountant, (Membership No. 5599) to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2015, on a remuneration of ₹ 1,20,000/- plus applicable taxes and reimbursement of actual out of pocket expenses.

In accordance with the provisions of Sections 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration is required to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary resolution as set out at Item No. 6 for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2015.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

By Order of the Board
For Dai-ichi Karkaria Ltd.

Kavita Thadeshwar
Company Secretary

Registered Office:

Liberty Building, Sir Vithaldas Thackersey Marg,
Mumbai - 400 020.

Place : Mumbai

Date : June 8, 2015

Route Map to the venue of the AGM





DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Fifty-Fifth Annual Report together with the audited accounts for the year ended March 31, 2015.

FINANCIAL RESULTS:

Operational Performance	2015 (₹ in millions)	2014 (₹ in millions)
Gross Revenue from operations	1116.63	1175.22
Less: Excise duty	93.93	97.48
Net Revenue from operations	1022.70	1077.74
PBDIT (before exceptional item)	159.66	110.21
PBDIT (after exceptional item)	234.19	170.36
EPS (₹)	19.84	16.79
Book Value of Shares (₹)	116.13	99.29

DIVIDEND:

The Directors are pleased to recommend a dividend of ₹ 2.00 per equity share and a special dividend of ₹ 0.50 per equity share aggregating to ₹ 2.50 per equity share of ₹ 10 each for the year ended 31st March, 2015. The dividend payout will aggregate to ₹ 18.63 million and the tax on distributable profits payable by the Company would amount to ₹ 3.72 million.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

INDUSTRY STRUCTURE & DEVELOPMENT: OPPORTUNITIES AND THREATS, RISKS AND CONCERNS

The Chemical Industry is a crucial constituent of the growing Indian Economy, providing the key raw materials for several industries, viz. for the Textile, Paint, Agro, Paper, etc.

With the Indian chemical industry projected to grow to \$ 190 billion by 2017-18, and the Specialty Chemical market growing at a healthy trend of 14 – 15% over the past 5 years, the future for this Industry is extremely bright.

With the growing middle class population and increasing purchasing power, a consumption driven demand for Specialty Chemicals and Polymers continues in spite of the challenging macroeconomic scenario we have experienced in India in the past year.

In addition, low per capita consumption in various industry segments, augurs a huge potential for the Specialty Chemical Industry. The Role of Specialty Chemicals in the expanding demand for innovative, performance based products remains significant.

The first half of the financial year, saw a gloomy outlook for the Indian economy still in the throes of a slowdown, with subdued demands, high interest rates, and double digit inflation.

With the political changes taking place in the Second Quarter, there has been a surge in optimism, resulting in improved sentiments. However there has yet to be noticeable changes at the ground level on investments.

Future growth is critically dependent on the Government's ability to persist with reforms and achieve a growth rate of 8%.

With the Indian economy on the brink of change the Chemical Industry, will be the first to scale new heights.

The new national program of "Make in India" designed to facilitate investment, foster innovation and enhance skill development will hopefully bring in tremendous changes and take the growth rate from 5% to 10%. This will require overcoming several challenges that exist today, viz. poor infrastructure and port facilities, transport bottlenecks, inadequate feedstock availability, complex tax structures, etc.

Financial Highlights:

The Total Sales Revenue for the Company for the year, was ₹ 1117 millions. The macro economic situation in the country in the past year has been challenging, resulting in only very modest growth in revenues over a few of the Company's business segments. On the other hand, projects stalled in the Coal & Iron ore and Mining sectors have negatively impacted the Sales from the Kurkumbh Division.

The EBITA margins show a pre-exceptional increase of 23 percent.

This is attributable to a change in product mix towards higher value-added products, increased use of production capacities, and savings from various efficiency programs instituted by the Company.

Profit before Tax has increased to ₹ 190.07 million from ₹ 153.71 million in 2013-14.

Sector-wise performance:

The traditional businesses of the Company have not shown any major growth and have remained stagnant over this past year. This is mainly due to the lackluster environment and poor performance of the Indian economy, showing marginal growth.

Though we have seen some organic growth in the areas of Rayon finishes and Emulsifiers for the Paint Industry, by and large the other Industrial segments have maintained market share, minimizing losses in revenue, against a weak economy.

The Company continues to supply its Joint Venture Partner with products for the oil field, both for the Indian market as well as exports to the Asia Pacific region.

The world demand for oil field chemicals is forecast to increase 6% per year as technological advances and the level of oil and gas exploration activities drive gains.

While the decline of oil prices in the second half of 2014 constitutes a setback the underlying factors which have led to a rapid growth in chemical demand should foster a strong rebound. While falling oil prices have made many projects economically unattractive in the short term, market forces like the growing energy demand, and depletion of easily recoverable oil and gas, will insure the longer term profitability of many high cost projects, and in turn the need for oil field chemicals.

The need for more environmentally friendly chemicals will continue to impact the market in many countries supporting demand for products which meet stringent environment and regulatory requirements.

Products identified as green, are biodegradable or bio-based with a low carbon footprint and low toxicity. In the past few years most chemical companies have recognized the need and committed to continuous improvement of environment performance.

The Company expects its Construction chemical portfolio to grow exponentially on the back of the new Government's focus on infrastructure and the 100% FDI in real estate. This is considered a sunrise industry which has grown at the rate of more than 12% p.a. between 2009 and 2014 and expected to grow at 15% p.a. for the next 5 years. As the Economy grows India's real estate and infrastructure needs for concrete admixtures will more than double. The increased end market growth together with usage intensity for high end applications to achieve faster and better performance (e.g. high rises, bridges, etc.) will drive usage of these chemicals.

The balanced portfolio of products has allowed the Company to enhance its bottom line during challenging times. Though the precipitous fall in oil prices has impacted many petro-chemical value chains, it has reduced raw material prices for the Company, bringing in new opportunities.

The Indian market is competitive and the Company must find innovative solutions that are cost effective and provide the customer with what they need. This keeps the Company on a growth path in niche segments, whilst garnering additional market share.

The Company will continue to focus on the development of an innovative and sustainable product portfolio. Developments that fall within this category would be APGs, APEO free based products on market needs, High performance Rayon additives, New generation Pigments, Cost effective PPDs, Cationic Polyacrylamides for Deoiler applications in the oilfield, New PPDs for Lube oils.

The Company's concern for energy management and energy consumption optimization measures, including the study of heating and cooling solutions, continues to be a serious focus.



There is a continuous process and concerted effort to increase energy efficiency whilst optimizing the production processes. Our Technical team continues its focus on reengineering process, working around existing products to make them more efficient and environmentally friendly.

The Company's project at Dahej still awaits environmental clearances.

However, the Company has gone ahead with appointing Engineering consultants and Civil contractors.

Preliminary land filling, road work and compound wall work has been completed.

Actual civil work will commence after we receive the environmental clearance and after the monsoons around August 2015.

Working Capital Management:

The significant ratios of the Company such as Ratio of Inventory to Sales is 11.37%, Receivable to Sales is 17.82%, and Net Working Capital to Sales is 23.68%.

The working capital was rotated 4 times in the year, showing effective working capital management. Funds surplus to the operational requirements have been invested in safe and relatively risk free instruments to earn a reasonable return.

JOINT VENTURE/SUBSIDIARY COMPANIES:

Joint Venture Company – Champion Dai-ichi Technologies India Ltd.

The Company has a Joint Venture with CTI Chemicals Asia Pacific Pte. Ltd., in the ratio of 50:50.

Key Performance Indicators for the year under review, of the Joint Venture Company are as under:

Turnover	₹ 1,70,38,63,014/-
Profit Before Tax	₹ 27,53,15,085/-
Net Profit	₹ 17,77,30,854/-
Earning per share	₹ 78.99/-

Annual report of subsidiary company:

As on 31st March, 2015, the Company has only one subsidiary, Dai-ichi Gosei Chemicals (India) Limited. The Company continues to be a dormant company.

The Annual accounts of the subsidiary company are placed on the website of the Company and will be provided to the members on request.

As per the Listing Agreement, Companies Act, 2013 and applicable Accounting Standards, the Consolidated Financial Statements of the Company with its Joint Venture Company, Champion Dai-ichi Technologies India Ltd and Subsidiary Company, Dai-ichi Gosei Chemicals (India) Limited., duly audited by the Statutory Auditors are attached to the financials.

Statement containing salient features of the financial statement of subsidiary/associate company/joint venture are attached to the financials.

DIRECTORS:

Mr. J. H. C. Jehangir tendered his resignation from the Board w.e.f. 16th January, 2015, due to his inability to attend meetings in Mumbai. The Board has placed on record his valuable contribution, throughout the tenure of his association with the Board.

Mr. A. H. Jehangir retires from the Board of Directors by rotation, in pursuance of the provisions of the Companies Act, 2013 and Articles of Association of the Company. Being eligible for reappointment, he has offered himself for re-appointment.

The Board of Directors recommends his re-appointment.

The information required to be furnished under Clause 49 of the Listing Agreement is given in the Notice of the 55th Annual General Meeting.

The Members of the Company have appointed Dr. Anil Naik, Mr. Kavas Patel and Mr. Keki Elavia as Independent Directors under the Companies Act, 2013 to hold office for a period of 5 years for a term upto 31st March, 2019. All Independent Directors have given declarations that they continue to meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS OF INTERNAL FINANCIAL CONTROLS:

The Board has laid down Internal Financial Controls within the meaning of the explanation to Section 134(5)(e) ("IFC") of the Companies Act, 2013. The Board believes the Company has sound IFC commensurate with the nature and size of its business. Business is however dynamic. The Board is seized of the fact that IFC are not static and are in fact a fluid set of tools which evolve over time as the business, technology and fraud environment changes in response to competition, industry practices, legislation, regulation and current economic conditions. There will therefore be gaps in the IFC as Business evolves. The Company has a process in place to continuously identify such gaps and implement newer and or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, individual directors and its committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

NUMBER OF MEETINGS OF THE BOARD AND COMMITTEES OF THE BOARD:

Details regarding Board/Committees, its composition, number of meetings held, terms of reference, policies adopted are provided under the Corporate Governance Report forming part of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR):

Even before the provisions of CSR became obligatory, the Company fulfilled its responsibilities through donations to charitable and academic institutions.

During the year under review, the Company has undertaken CSR activities through Maneckji and Shirinbai Neterwala Foundation in the areas of promoting health care including preventive healthcare and promoting education, including special education.

Aid is provided to needy patients suffering from chronic diseases such as Renal failure, Cancer, Heart diseases, Lung diseases etc. Scholarships/Fees sponsorships are provided to the needy and deserving students.

Detailed report on CSR is annexed to the report as 'Annexure A'.

MATERIAL DEVELOPMENTS ON HUMAN RESOURCES INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company's Human Resource Policy over the years has resulted in a very low attrition ratio of less than 1% per annum. All manpower requirements are assessed and filled in a timely manner. The Company has a sound knowledge pool of experienced employees, which helps it to maintain consistency in performance across all disciplines. It has built a team of dedicated employees, who work with commitment and a sense of belonging towards the growth of the Company.



Following areas are given special attention to enhance performance of the employees.

- Identification of training & development needs and upgradation of job specific skills
- Compensation, recognition & rewards
- Career growth plan through annual assessment
- Supporting employment related legislative compliance
- Promoting excellence in human resource management
- The promotion of an atmosphere of mutual respect, fairness and concern.

As on 31st March, 2015, the total numbers of employees on the payrolls of the Company at all the locations are 224.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

There are no employees other than Managing Director covered under the category specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

AUDITORS:

STATUTORY AUDITORS:

M/s. Deloitte Haskins & Sells LLP, were appointed as the Statutory Auditors of the Company to hold office from the conclusion of 54th Annual General Meeting upto the conclusion of 57th Annual General Meeting of the Company, subject to ratification of members at every Annual General Meeting. Being eligible, it is recommended to ratify the appointment of M/s. Deloitte Haskins & Sells LLP in this Annual General Meeting to audit the accounts of the Company for the financial year 2015-2016.

INTERNAL AUDITORS:

B.K. Khare & Co., Chartered Accountants, are the Internal Auditors of the Company. The Management regularly reviews the findings of the Internal Auditors and effective steps to implement any suggestions/observations of the Internal Auditors are taken and monitored regularly. In addition, the Audit Committee of the Board regularly addresses significant issues raised by the Internal Auditors.

SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Kaushik M. Jhaveri & Co., a firm of Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the F.Y. 2014-15 is annexed herewith as 'Annexure B'. There are no reservations or qualifications made in the Audit Report.

COST AUDITORS:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company has appointed Mr. S. G. Jog, Cost Accountant, (Membership No. 5599), Pune as Cost Auditor of the Company for the financial year 2014-15.

DETAILS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not provided any loan or given any guarantee/security to any person.

Details of investment made by the Company are provided in the financial statements, under Investment Schedule. These investments are made by the Company in ordinary course of business, out of the surplus funds presently available with the Company, in view of getting an effective return.

The funds shall be utilized for implementation of Dahej Project, in near future.

PARTICULARS OF CONTRACTS AND ARRANGEMENT COVERED UNDER SECTION 188 OF THE COMPANIES ACT, 2013:

All transactions entered into with Related Parties are in the ordinary course of business and are at arm's length. Details regarding transactions entered into with related parties are provided in the notes to accounts.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Details of Related Party Transaction Policy are provided in Corporate Governance Report.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of Annual Return in Form MGT 9 is annexed herewith as 'Annexure C'.

FIXED DEPOSITS:

The Company has discontinued its fixed deposit scheme during the financial year 2007-2008. The Company has repaid all the outstanding Fixed Deposits by the year 2009-10. The only deposits that are outstanding as on 31st March, 2015 are matured but unclaimed deposits which amounts to ₹ 0.020 millions.

CORPORATE GOVERNANCE:

As per Circular No. CIR/CFD/POLICY/CELL/7/2014 dtd. 15th September, 2014, the compliance with the provisions of Clause 49 of the Listing Agreement with Bombay Stock Exchange is not mandatory to the Company. The Company has been complying with the provisions on voluntary basis.

A separate report on Corporate Governance is attached as a part of the Annual Report along with the certificate from Practicing Company Secretaries on its compliance.

LISTING:

The Equity Shares of your Company are presently listed on The Bombay Stock Exchange Ltd. and the Company has paid the annual listing fees for the financial year 2015-2016.

HEALTH, SAFETY & ENVIRONMENT:

Health, Safety & Protection of the Environment continue to remain one of the priority areas for the Company. The Company continues to put special emphasis in this area at every stage, from conception and design of new products, optimization of process, to commercial manufacturing and delivery of goods to the customers.

(a) Health:

A special committee ensures good sanitation and hygienic condition in the plant and canteen. Medical examination of all the employees is carried out annually. Six monthly medical examinations are conducted for the employees who are working in Hazardous Areas.

(b) Safety and Environment:

Safety Audit and HAZOP STUDY report for Ethoxylation/Propoxylation process were carried out as per the provisions of Factories Act.

Due to changes in the factory lay out, On-Site Emergency Plan, Factory Site Layout plan and Factory elevation plan were updated and submitted to the Director of Industrial Safety & Health, Pune.

Safety week was celebrated from 4th March to 11th March during which competitions, lectures and training sessions were organized to inculcate and enforce the need for a safe working environment and Emergency Planning.

Effluent Treatment Plant was upgraded, in order to use the treated effluent in various processes, thus, increasing water conservation.

Sulphonation plant was also upgraded which has brought emission levels of Sulphur Trioxide (SO₃) & Sulphur Dioxide (SO₂) to a bare minimum.



INDUSTRIAL RELATIONS:

The wage agreement with the workers of the Company expired on 30th November, 2008. As Conciliation proceedings before the Labour Commissioner, Pune for arriving at a settlement were not conclusive, the matter was referred to the Industrial Court, Pune for adjudication. The said reference is rejected by the Hon'ble Industrial court for want of prosecution by the recognized union. The decision of the Industrial Court was challenged before the Mumbai High Court, the Court has upheld the decision of the Industrial Court. The matter is further challenged and is now pending before the Hon'ble Supreme Court.

Considering the prolonged judicial process and financial hardships that workers face, the Company together with some of the workers has taken initiative to come to an amicable solution, and have signed individual wage rise settlements for the period from December 2013 to November 2017. About 50% of workers have willingly accepted the same.

Form A & B Report:

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo:

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 are annexed to this report as 'Annexure D'.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

As per the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2014-15:

- No of complaints received : **Nil**
- No of complaints disposed off : **Nil**

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation of the contribution made by the employees of the Company. The Directors wish to convey their appreciation to the Banks, dealers and other business associates and the shareholders for their continuous trust and support.

CAUTIONARY NOTE:

Certain statements in the Director's Report and Management & Discussion Analysis section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook.

For and on behalf of the Board

Mrs. S. F. Vakil

Chairperson & Managing Director

Place : Mumbai

Date : 5th May, 2015

ANNEXURE 'A' TO DIRECTORS' REPORT**REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

Even before the provisions of CSR became obligatory, the Company had fulfilled its responsibilities through donations to charitable and academic institutions.

The Company had undertaken CSR activities through Maneckji and Shirinbai Neterwala Foundation in the areas of promoting health care including preventive healthcare and promoting education including special education.

The Company's CSR Policy may be viewed at following web link: <http://www.dai-ichiindia.com/downloads/CSRPoly.pdf>

2. **The Composition of the CSR Committee:** The Committee comprises of Mr. Keki Elavia as Chairman, Mr. Adi Jehangir and Mrs. S. F. Vakil as members.
3. **Average net profit of the Company for the last three financial years:** ₹ 581 lacs
4. **Prescribed CSR Expenditure:** ₹ 11.63 lacs
5. **Details of CSR spent during the financial year:**
- (a) Total amount to be spent for the financial year: ₹ 11.63 lacs
- (b) Amount unspent, if any: ₹ 8.45 lacs
- (c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs 1. Local area or other 2. Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on projects or programs 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.	Providing medical help for patients suffering from diseases such as*: • Renal failure • Cancer • Heart problems/ diseases • Lung diseases • Cataract etc.	Health Care	Maharashtra (Mumbai & Thane)	5.815 lacs	1.29 lacs	1.29 lacs	Maneckji and Shirinbai Neterwala Foundation



(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs 1. Local area or other 2. Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on projects or programs 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
2.	<ul style="list-style-type: none"> Providing Scholarship to deserving students.* Providing help to schools imparting special education by sponsoring fees of students or equipments, devices to help them cop up with the handicap faced by them.* 	Education	Maharashtra (Mumbai & Thane)	5.815 lacs	1.89 lacs	1.89 lacs	Maneckji and Shirinbai Neterwala Foundation
	Total (1+2)			11.63 lacs	3.18 lacs	3.18 lacs	

* Subject to satisfying specified criterias

6. **Reasons for not spending the entire amount by the Implementing Agency:** The entire amount was funded to Implementing Agency i.e. Maneckji and Shirinbai Neterwala Foundation for performing the CSR activities. The Implementing Agency is in the process of identifying eligible cases where earmarked amount of CSR could be spent.
7. **Responsibility statement:** The CSR Committee confirms that the implementation and monitoring of the CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Mrs. S. F. Vakil
Chairperson & Managing Director

Mr. Keki Elavia
Chairman of the CSR Committee

Place: Mumbai
Date : 5th May, 2015

ANNEXURE 'B' TO THE DIRECTORS REPORT**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

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

To,
The Members,
Dai-ichi Karkaria Limited
Liberty Building, Sir Vithaldas Thackersey Marg,
Mumbai – 400 020

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dai-ichi Karkaria Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on the verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Dai-ichi Karkaria Limited** for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; – *(Not Applicable to the Company during audit period)*
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; – *(Not Applicable to the Company during audit period)*
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme, Guidelines, 1999; – *(Not Applicable to the Company during audit period)*
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; – *(Not Applicable to the Company during audit period)*
 - (f) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and – *(Not Applicable to the Company during audit period)*
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; – *(Not Applicable to the Company during audit period)*

(vi) Other applicable Acts/Laws as per Annexure A

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India – *(Not Applicable for the year ended 31st March, 2015)*
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange(s)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines as applicable mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the board meetings are carried with the approval of Board and recorded in the minutes accordingly.

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

I further report that during the audit period there were no such events that took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations and guidelines as applicable.

For **Kaushik M. Jhaveri & Co.**

Sd/-

Kaushik Jhaveri

Practising Company Secretary

FCS No.: 4254

CP No. : 2592

Place: Mumbai

Date : 5th May, 2015

ANNEXURE 'A' TO SECRETARIAL AUDIT REPORT OFDai-ichi Karkaria Limited for the year ended 31st March, 2015

List of other Acts/Laws as amended time to time applicable to the Company :

1. The Water (Prevention and Control of Pollution) Act, 1974
2. The Air (Prevention and Control of Pollution) Act, 1981
3. The Acoustic DG set Rules, 1999
4. The Batteries (Management & Handling) Rules, 2001
5. The Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989
6. The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008
7. The Environment Protection Act, 1986
8. The Legal Metrology Act, 2009
9. The Electricity Act, 2003
10. The Motor Vehicles Act, 1988
11. The Plastic Manufacture, Sale & Usage Rules, 1999
12. The Ozone Depleting Substances (Regulation & Control) Rules, 2000
13. The Public Liability Insurance Act, 1991
14. The Indian Gas Act, 1995
15. The Petroleum Act, 1934
16. The Factories Act, 1948
17. The Employees' Provident Acts & Misc. Provisions Act, 1952
18. The Employment Exchange (Compulsory Notifications of Vacancies) Act, 1959
19. The Weekly Holidays Act, 1942
20. The Equal Remuneration Act, 1976
21. The Contract Labour (Regulation & Abolition) Act, 1946
22. The Maternity Benefit Act, 1961
23. The Bombay Labour Welfare Funds Act, 1953
24. The Maharashtra Workmen's Minimum House Rent Allowance Act, 1983
25. The Payment of Wages Act, 1936
26. The Payment of Gratuity Act, 1972
27. The Minimum Wages Act, 1948
28. The Employees' State Insurance Act, 1963
29. The Apprentices Act, 1961
30. The Workmen's Compensation Act, 1923
31. The Sexual Harassment of Women at Workplace (Prevention, Prohibition Redressal) Act, 2013

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



ANNEXURE 'B' TO SECRETARIAL AUDIT REPORT OF

Dai-ichi Karkaria Limited for the year ended 31st March, 2015

To,

The Members,

Dai-ichi Karkaria Limited

Liberty Building, Sir Vithaldas Thackersey Marg,

Mumbai-400 020

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

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

For **Kaushik M. Jhaveri & Co.**

Sd/-

Kaushik Jhaveri

Practising Company Secretary

FCS No.: 4254

CP No. : 2592

Place: Mumbai

Date : 5th May, 2015

ANNEXURE 'C' TO THE DIRECTORS' REPORT**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March, 2015
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1)
of the Companies (Management and Administration) Rules, 2014]

Form No. MGT-9

I. REGISTRATION AND OTHER DETAILS:

CIN	L24100MH1960PLC011681
Registration Date	13/05/1960
Name of the Company	DAI-ICHI KARKARIA LIMITED
Category/Sub-Category of the Company	Public Company having Share Capital
Address of the Registered office and contact details	Liberty Building, Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai-400 020
Whether listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agents	Sharex Dynamic (India) Private Ltd. Unit 1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (E), Mumbai-400 072 Tel: 2851 5606/2851 5644 email: sharexindia@vsnl.com website: www.sharexindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Oil Field Chemicals	2029	13.74%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Dai-ichi Gosei Chemicals (India) Limited	U24100MH1991PLC059922	Subsidiary	97%	2(87)
2.	Champion Dai-ichi Technologies India Limited	U24110MH1990PLC055089	Associate/ Joint venture	50%	2(6)



IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	40,62,922	0	40,62,922	54.53	40,60,922	0	40,60,922	54.50	-0.03
(b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
(c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d) Bodies Corp.	6,86,717	0	6,86,717	9.22	6,86,717	0	6,86,717	9.22	0.00
(e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
(f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(1):	47,49,639	0	47,49,639	63.74	47,47,639	0	47,47,639	63.72	-0.03
(2) Foreign									
(a) NRIs Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2):	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	47,49,639	0	47,49,639	63.74	47,47,639	0	47,47,639	63.72	-0.03
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	0	1,600	1,600	0.02	0	1,600	1,600	0.02	0.00
(b) Banks/FI	0	0	0	0	0	0	0	0	0.00
(c) Central Govt	0	0	0	0	0	0	0	0	0.00
(d) State Govt(s)	0	0	0	0	0	0	0	0	0.00
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
(f) Insurance Companies	0	0	0	0	0	0	0	0	0.00
(g) FIs	0	0	0	0	0	0	0	0	0.00
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
(i) Others (specify)	0	0	0	0	0	0	0	0	0.00
Sub-total (B)(1):	0	1,600	1,600	0.02	0	1,600	1,600	0.02	0.00

(i) Category-wise Share Holding (contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
2. Non-Institutions									
(a) Bodies Corp.									
(i) Indian	2,22,500	26,400	2,48,900	3.34	2,73,307	26,400	2,99,707	4.02	0.68
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh	13,74,479	1,68,510	15,42,989	20.71	12,07,009	1,60,277	13,67,286	18.35	-2.36
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	8,06,401	0	8,06,401	10.82	9,37,265	0	9,37,265	12.58	1.76
(c) Others (specify)									
(i) Clearing Members	11,165	0	11,165	0.15	5,585	0	5,585	0.07	-0.07
(ii) OCB	0	20,100	20,100	0.27	0	20,100	20,100	0.27	0.00
(iii) NRI	34,335	36,100	70,435	0.95	38,647	33,400	72,047	0.97	0.02
Sub-total (B)(2)	24,48,880	2,51,110	26,99,990	36.24	24,61,813	2,40,177	27,01,990	36.26	0.03
Total Public shareholding (B)=(B)(1) + (B)(2)	24,48,880	2,52,710	27,01,590	36.26	24,61,813	2,41,777	27,03,590	36.28	0.03
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	71,98,519	2,52,710	74,51,229	100.00	72,09,452	2,41,777	74,51,229	100.00	0.00



(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of Shares/ Pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares/ Pledged/ encumbered to total shares	
1.	Mrs. P. R. Mehta jointly with Mrs. S. F. Vakil and Mr. F. D. Neterwala	16,87,500	22.65	Nil	16,87,500	22.65	Nil	—
2.	Mrs. S. F. Vakil	9,98,390	13.40	Nil	9,98,390	13.40	Nil	—
3.	Mrs. S. F. Vakil jointly with Mr. F. D. Neterwala and Mrs. P. R. Mehta	4,92,240	6.61	Nil	4,92,240	6.61	Nil	—
4.	Parveenbibi Hamidkhan Malik	3,16,083	4.24	Nil	3,16,083	4.24	Nil	—
5.	Roshan Hoshi Gazdar	3,08,367	4.14	Nil	3,08,367	4.14	Nil	—
6.	Rose Investments Ltd	2,62,800	3.53	Nil	2,62,800	3.53	Nil	—
7.	Chemicals and Ferro Alloys Private Limited	2,57,000	3.45	Nil	2,57,000	3.45	Nil	—
8.	Dhunjishaw M Neterwala	166500	2.23	Nil	1,66,500	2.23	Nil	—
9.	Universal Ferro and Allied Chemicals Limited	1,66,333	2.23	Nil	1,66,333	2.23	Nil	—
10.	Firoze Adi Vakil	80,009	1.07	Nil	78,009	1.05	Nil	(0.03)
11.	Mehernaz Hoshi Gazdar	8,833	0.12	Nil	8,833	0.12	Nil	—
12.	Hamidkhan Malik	3,200	0.04	Nil	3,200	0.04	Nil	—
13.	Shireen Hoshi Gazdar	1,300	0.02	Nil	1,300	0.02	Nil	—
14.	General Pharmaceuticals Private Limited	584	0.01	Nil	584	0.01	Nil	—
15.	Hoshang Rustom Karkaria	300	0.00	Nil	300	0.00	Nil	—
16.	Adi H Jehangir	100	0.00	Nil	100	0.00	Nil	—
17.	Jehangir H C Jehangir	100	0.00	Nil	100	0.00	Nil	—

(iii) Change in Promoter's Shareholding

SI No.	Promoter's Name	Shareholding at the beginning of the year 01/04/2014					Share holding at the end of the Year 31/03/2015	
		No. of Shares	% of total Shares of the Company	Date	Increasing/ Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the Company
1.	Firoze Adi Vakil	80009	1.07	1-Apr-14	—	—	—	—
		—	—	25-Jul-14	-1000	Transfer	79009	1.06
		—	—	30-Sep-14	-1000	Transfer	78009	1.05
	-Closing Balance	78009	1.05	31-Mar-15	—		78009	1.05

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

Sr. No.	Name	Shareholding		Date	Increasing/ Decreasing in shareholding	Reason	Cumulative Shareholding	
		No. of Shares at the beginning (01.04.2014) and end of the year (31.03.2015)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	Ashokkumar Parmar	496453	6.66	1-Apr-14	—	—	—	—
		—	—	4-Apr-14	-14050	Transfer	482403	6.47
		—	—	11-Apr-14	-7279	Transfer	475124	6.38
		—	—	18-Apr-14	-10000	Transfer	465124	6.24
		—	—	25-Apr-14	-11208	Transfer	453916	6.09
		—	—	2-May-14	-5551	Transfer	448365	6.02
		—	—	9-May-14	-23327	Transfer	425038	5.70
		—	—	16-May-14	-22196	Transfer	402842	5.41
		—	—	23-May-14	-5417	Transfer	397425	5.33
		—	—	6-Jun-14	-14090	Transfer	383335	5.16
		—	—	13-Jun-14	-6832	Transfer	376503	5.05
		—	—	20-Jun-14	-13371	Transfer	363132	4.87
		—	—	30-Jun-14	-17606	Transfer	345526	4.64
		—	—	4-Jul-14	-15600	Transfer	329926	4.43
		—	—	11-Jul-14	-4906	Transfer	325020	4.36
		—	—	18-Jul-14	-7004	Transfer	318016	4.27
		—	—	25-Jul-14	-14199	Transfer	303817	4.08
		—	—	31-Jul-14	-4085	Transfer	299732	4.02
		—	—	1-Aug-14	-1000	Transfer	298732	4.01
		—	—	8-Aug-14	-6000	Transfer	292732	3.93
		—	—	15-Aug-14	-5770	Transfer	286962	3.85
		—	—	22-Aug-14	-7868	Transfer	279094	3.75
		—	—	29-Aug-14	-2000	Transfer	277094	3.72
		—	—	5-Sep-14	-3644	Transfer	273450	3.67
		—	—	12-Sep-14	-1000	Transfer	272450	3.66
		—	—	30-Sep-14	-6732	Transfer	265718	3.57
		—	—	10-Oct-14	-2000	Transfer	263718	3.54
		—	—	24-Oct-14	-1000	Transfer	262718	3.53
		—	—	31-Oct-14	-2839	Transfer	259879	3.49
		—	—	7-Nov-14	-3900	Transfer	255979	3.44
		—	—	14-Nov-14	-2400	Transfer	253579	3.40
		—	—	21-Nov-14	-13414	Transfer	240165	3.22
		—	—	28-Nov-14	-4000	Transfer	236165	3.17
		—	—	12-Dec-14	-2049	Transfer	234116	3.14
		—	—	19-Dec-14	-4501	Transfer	229615	3.08
		—	—	31-Dec-14	-8100	Transfer	221515	2.97
		—	—	2-Jan-15	-1940	Transfer	219575	2.95
		—	—	9-Jan-15	-2320	Transfer	217255	2.92
		—	—	16-Jan-15	-4101	Transfer	213154	2.86
		—	—	23-Jan-15	-3000	Transfer	210154	2.82
		—	—	30-Jan-15	-411	Transfer	209743	2.82
		—	—	6-Feb-15	-1325	Transfer	208418	2.80
		—	—	13-Feb-15	-835	Transfer	207583	2.79
		—	—	20-Feb-15	-765	Transfer	206818	2.78
		—	—	27-Feb-15	-500	Transfer	206318	2.77
		—	—	6-Mar-15	-2739	Transfer	203579	2.73
		—	—	13-Mar-15	-3300	Transfer	200279	2.69
		—	—	20-Mar-15	-3730	Transfer	196549	2.69
		—	—	27-Mar-15	-2319	Transfer	194230	2.61
	– Closing Balance	194230	2.61	31-Mar-15	—	—	194230	2.61



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

Sr. No.	Name	Shareholding		Date	Increasing/ Decreasing in shareholding	Reason	Cumulative Shareholding	
		No. of Shares at the beginning (01.04.2014) and end of the year (31.03.2015)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
2.	Pratiksha Satishchandra Doshi	13500	0.18	5-Sep-14	—	—	—	—
		—	—	30-Sep-14	1500	Transfer	15000	0.20
		—	—	21-Nov-14	69562	Transfer	84562	1.14
		—	—	28-Nov-14	5078	Transfer	89640	1.20
		—	—	5-Dec-14	6131	Transfer	95771	1.29
		—	—	12-Dec-14	50557	Transfer	146328	1.97
		—	—	19-Dec-14	2247	Transfer	148575	1.99
		—	—	31-Dec-14	13503	Transfer	162078	2.18
		—	—	9-Jan-15	50	Transfer	162128	2.18
	– Closing Balance	162128	2.18	31-Mar-15	—	—	162128	2.18
3.	Ajinkya Electromelt Pvt. Ltd.	100980	1.36	1-Apr-14	—	—	—	—
		—	—	30-Sep-14	3690	Transfer	104670	1.41
		—	—	27-Mar-15	900	Transfer	105570	1.42
		113270	1.52	31-Mar-15	7700	Transfer	113270	1.52
4.	Dolly Khanna	1235	0.02	30-Jun-14	—	—	—	—
		—	—	11-Jul-14	5050	Transfer	6285	0.09
		—	—	25-Jul-14	1500	Transfer	7785	0.10
		—	—	15-Aug-14	1290	Transfer	9075	0.12
		—	—	19-Sep-14	7201	Transfer	16276	0.22
		—	—	3-Oct-14	1525	Transfer	17801	0.24
		—	—	21-Nov-14	3438	Transfer	21239	0.29
		—	—	28-Nov-14	7269	Transfer	28508	0.38
		—	—	5-Dec-14	2000	Transfer	30508	0.41
		—	—	19-Dec-14	4000	Transfer	34508	0.46
		—	—	31-Dec-14	12250	Transfer	46758	0.63
		—	—	2-Jan-15	2750	Transfer	49508	0.66
		—	—	9-Jan-15	12450	Transfer	61958	0.83
		—	—	16-Jan-15	15500	Transfer	77458	1.04
		—	—	6-Feb-15	763	Transfer	78221	1.05
	– Closing Balance	78221	1.05	31-Mar-15	—	—	78221	1.05
5.	Hitesh Satishchandra Doshi	36985	0.50	15-Aug-14	—	—	—	—
		—	—	22-Aug-14	15672	Transfer	52657	0.71
		—	—	29-Aug-14	8012	Transfer	60669	0.81
		—	—	5-Sep-14	10431	Transfer	71100	0.95
		—	—	30-Sep-14	868	Transfer	71968	0.97
		—	—	28-Nov-14	85041	Transfer	157009	2.18
		—	—	5-Dec-14	9000	Transfer	166009	2.23
		—	—	31-Dec-14	-96000	Transfer	70009	0.94
	– Closing Balance	70009	0.94	31-Mar-15	—	—	70009	0.94

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

Sr. No.	Name	Shareholding		Date	Increasing/ Decreasing in shareholding	Reason	Cumulative Shareholding	
		No. of Shares at the beginning (01.04.2014) and end of the year (31.03.2015)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
6.	Satishchandra Shantilal Doshi	2600	0.04	5-Sep-14	—	—	—	—
		—	—	30-Sep-14	1996	Transfer	4596	0.06
		—	—	5-Dec-14	9960	Transfer	14556	0.20
		—	—	31-Dec-14	55000	Transfer	69556	0.93
	— Closing Balance	69556	0.93	31-Mar-15	—	—	69556	0.93
7.	Shirish Joshi	30802	0.41	1-Apr-14	—	—	—	—
		—	—	25-Apr-14	500	Transfer	31302	0.42
		—	—	2-May-14	400	Transfer	31702	0.43
		—	—	9-May-14	250	Transfer	31952	0.43
		—	—	30-May-14	248	Transfer	32200	0.43
		—	—	6-Jun-14	2700	Transfer	34900	0.47
		—	—	13-Jun-14	2000	Transfer	36900	0.50
		—	—	20-Jun-14	324	Transfer	37224	0.50
		—	—	30-Jun-14	726	Transfer	37950	0.51
		—	—	4-Jul-14	164	Transfer	38114	0.51
		—	—	11-Jul-14	1406	Transfer	39520	0.53
		—	—	18-Jul-14	575	Transfer	40095	0.54
	— Closing Balance	40095	0.54	31-Mar-15	—	—	40095	0.54
8.	Bhanu Satishchandra Doshi	31000	0.42	31-Dec-14	—	—	—	—
	— Closing Balance	31000	0.42	31-Mar-15	—	—	31000	0.42
9.	Rajiv Khanna	4676	0.06	1-Apr-14	—	—	—	—
		—	—	2-May-14	1530	Transfer	6206	0.08
		—	—	23-May-14	1500	Transfer	7706	0.10
		—	—	6-Jun-14	9880	Transfer	17586	0.24
		—	—	13-Jun-14	5000	Transfer	22586	0.30
		—	—	20-Jun-14	1845	Transfer	24431	0.33
		—	—	30-Jun-14	1000	Transfer	25431	0.34
		—	—	14-Nov-14	4145	Transfer	29576	0.40
	— Closing Balance	29576	0.40	31-Mar-15	—	—	29576	0.40
10.	Amit Goel	20060	0.27	16-Jan-15	—	—	—	—
		—	—	30-Jan-15	9238	Transfer	29298	0.39
	— Closing Balance	29298	0.39	31-Mar-15	—	—	29298	0.39

Note : All the above transactions relates to Market Sale/Purchase.



(v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mrs. S. F. Vakil, Chairperson & Managing Director				
	At the beginning of the year	14,90,630	20.01	—	—
	Changes in shareholding	—	—	14,90,630	20.01
	At the end of the year	—	—	14,90,630	20.01
2.	Mr. A. H. Jehangir, Director				
	At the beginning of the year	100	0.00	—	—
	Changes in shareholding	—	—	100	—
	At the end of the year	—	—	100	—

Note : None of the KMP/Directors except Mrs. S. F. Vakil & Mr. A. H. Jehangir holds shares in the Company.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year;				
(i) Principal Amount	25,35,927	—	—	25,35,927
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	25,35,927	—	—	25,35,927
Change in Indebtedness during the financial year;				
(a) Addition	—	—	—	—
(b) Reduction	—	—	—	13,04,393
Net Change	13,04,393	—	—	13,04,393
Indebtedness at the end of the financial year;				
(i) Principal Amount	12,31,534	—	—	12,31,534
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	12,31,534	—	—	12,31,534

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director**

Sl. No.	Particulars of Remuneration	Mrs. S. F. Vakil, Chairperson & Managing Director
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	84,74,355
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	16,30,643
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	—
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission – as % of profit – others, specify	Nil
5.	Others, please specify	Nil
	Total (A)	1,01,04,998
	Ceiling as per the Companies Act: Remuneration paid as per Central Government Approval dated 16.12.13 and Special Resolution passed at AGM dated 31.7.13	

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Non-Executive Directors			Total Amount
1.	Independent Directors	Dr. A. M. Naik	Mr. K. D. Patel	Mr. K. M. Elavia	
	(a) Fee for attending Board/Committee meeting	2,82,500/-	2,82,500/-	2,92,500/-	8,57,500/-
	(b) Commission	N.A.	N.A.	N.A.	N.A.
	(c) Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	2,82,500/-	2,82,500/-	2,92,500/-	8,57,500/-
2.	Other Non-Executive Directors	Mr. J. H. C. Jehangir**	Mr. A. H. Jehangir		
	(a) Fee for attending Board/Committee meetings	Nil	1,60,000/-		1,60,000/-
	(b) Commission	N.A.	N.A.		N.A.
	(c) Others, please specify	N.A.	N.A.		N.A.
	Total (2)	Nil	1,60,000		1,60,000/-
	Total (B)=(1+2)				10,17,500/-
	Total Managerial Remuneration (A)+(B)				1,11,22,498/-
	Overall Ceiling as per the Act: 1% of net profits excluding sitting fees paid for attending Board/Committee Meetings.				

** Mr. J. H. C. Jehangir resigned w.e.f. 16th January, 2015.



C. Remuneration to Key Managerial Personnel Other than MD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	Financial Comptroller (CFO)	Total
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	13,89,600	26,50,764	40,40,364
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	18,889	18,889
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission	—	—	—
	– as % of profit	—	—	—
	– others, specify	—	—	—
5.	Others, please specify	—	—	—
	Total	13,89,600	26,69,653	40,59,253

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty Punishment Compounding			NIL		
B. DIRECTORS					
Penalty Punishment Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding			NIL		

ANNEXURE 'D' TO THE DIRECTORS' REPORT

INFORMATION REQUIRED AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015.

Form A & B Report:

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

FORM 'A' FOR DISCLOSURE OF CONSERVATION OF ENERGY

I. Conservation of Energy:

(a) ENERGY CONSERVATION MEASURES TAKEN:

- (i) VFD is installed on 8 KL Phosphate reactor due to which energy saving is achieved.
- (ii) Use of Bio mass briquettes in boiler due to which savings of fossil fuel is achieved.
- (iii) Maximum possible rebate on energy bill by maintaining power as unity throughout the year
- (iv) Water/Energy audit carried out from INDESCO for process plants for conservation of utilities.
- (v) Few Batch processes scaled up/modified for saving of process energy and time.

(b) ADDITIONAL INVESTMENT PROPOSAL IF ANY, BEING IMPLEMENTED FOR REDUCTION OF ENERGY

- (i) Hurricane Turbo ventilators for natural ventilation.
- (ii) Auto dispensing mass flow meters for packing of FG and intermediates transfer to be installed which will result in saving in manpower and packing time.
- (iii) VFDs are to be provided for process cooling water supply pumps.
- (iv) Natural draft jet cooling tower to be installed instead of forced draft cooling tower to save energy.
- (v) ETP Plant up gradation to make it more effective and reduce water consumption.
- (vi) Use of Triplex dosing pumps to reduce water consumption.

(c) IMPACT OF THE MEASURES AT (a) & (b) ABOVE FOR REDUCTION OF ENERGY CONSERVATION AND CONSEQUENT IMPACT ON THE COST OF PRODUCTION OF GOODS.

The above measures will result in energy, manpower, water saving and consequent reduction in the cost of production.



(d) TOTAL ENERGY CONSUMPTION PER UNIT OF PRODUCTION AS PER FORM A:

Sr. No. Description	2014-15	2013-14
A. Power and fuel consumption		
1. ELECTRICITY		
(a) Purchased		
Units (KWH)	24,45,368	25,12,966
Purchased cost of units (₹)	1,74,11,560	1,74,34,333
Rate per unit purchased	7.12	6.94
(b) Own generation		
(i) Through Diesel Generator		
No of units Generated (KWH)	14,325	16,125
Diesel Oil consumed (KL)	5.11	6.03
Cost of Diesel Oil consumed (₹)	2,85,254	3,05,063
Cost of Diesel/Unit generated (₹)	19.91	18.92
(ii) Through Steam Turbine Generator	Nil	Nil
2. COAL USED		
No. of Units consumed (KG)	Nil	Nil
Purchase cost (₹)	Nil	Nil
Rate per unit	Nil	Nil
3. FURNACE OIL		
Furnace oil consumed (KL)	95.04	113.48
Cost of Furnace oil consumed (₹)	37,73,260	47,17,045
Average rate (₹/Lt.)	39.70	41.57
4. BIO-FUEL BRIQUETTES		
1. Bio-fuel briquettes consumed (MT)	2,749.37	2838.38
2. Cost of B.F. briquettes consumed (₹)	1,64,08,866	1,74,54,867
3. Average rate (₹/KG)	5.97	6.15
B. Consumption per unit of production in MT		
Electricity-KWH/Ton	215.77	213.33
Furnace Oil - (Lt./Ton)	251.85	269.46
Briquettes - (Ton/Ton)	4.01	4.03

FORM 'B' FOR DISCLOSURE OF PARTICULARS WITH RESPECT OF TECHNOLOGY ABSORPTION**II. Research & Development:**

1. Specific areas in which research & development activities were carried out by the Company:
 - (i) New Products development were taken up for products like, new range of pour point depressants, APEO free anionic emulsifier for paint industry, additives for Rayon industry, mercerizing agents for Textile processing, Alkyl Polyglucosides.
 - (ii) Cost reduction, Process modification and performance improvement of existing PPDs and superplasticizers, and pigment dispersants.
2. Benefits derived from these research and development projects:
 - (i) New range of value added pour point depressants are introduced into the export market and could achieve good business volumes.
 - (ii) The scope of low cost construction chemicals would enhance under the current focus on infrastructure.
 - (iii) Enhanced business with Rayon industry is anticipated.
 - (iv) With the improved version of pigment dispersant, scope of increasing the volume of business is enhanced.
 - (v) New type of surfactant from renewable resources would open up new applications based on green and value added chemistry.
 - (vi) More APEO free surfactants were added into the current range.
3. The future plan for research & development activities:

R&D would continue to work towards development of greener chemistries, based on value added products, specialty surfactants, pour point depressants for different applications, new products for concrete industry and different grades of alkyl polyglucosides in addition to efforts on process modification and product quality improvement of existing products.
4. Expenditure on R&D during the year:

Capital	– ₹ 4,20,760/-
Recurring	– ₹ 1,25,51,618/-
Total R&D expenditure as a percentage of turnover : 1.16%	

III. Technology Absorption, Adaptation and Innovation

1. New products have been developed and existing products have been improved with respect to process and quality.
2. Certain new products have been scaled up to higher batch level.
3. During last 5 years no technology was imported.

IV. Foreign Exchange Earning and Outgo:

Foreign Exchange Earned	₹ 229.33 millions
Foreign Exchange used for imports and other remittance	₹ 120.23 millions



CORPORATE GOVERNANCE REPORT

The following Corporate Governance Report is attached as a part of the Directors' Report of the Company for the year 2014-15.

CORPORATE GOVERNANCE DISCLOSURE

In compliance with Clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the report on the matters mentioned in the said clause and practice as followed by Company:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Since its inception, the Company has been founded on moral and ethical codes that strongly emphasize total transparency and complete value based governance. The Company understands that corporate governance is a combination of voluntary practices and full compliance with laws and regulations leading to effective control and management of the organization. Good corporate governance leads to long term shareholder value and enhances interest of stake holders. The Company continues to place uncompromising emphasis on integrity and regulatory compliances. The Company is committed to providing high quality products and services to its customers and stakeholders.

2. BOARD OF DIRECTORS:

The Board of Directors consists of 5 (five) Directors. The Board comprises of a Managing Director and four Non-Executive Directors. Out of four Non-Executive Directors, three members are Independent Directors. The Managing Director is a Woman Director. The Board's composition is in conformity with the provisions of Companies Act, 2013 as well as Clause 49 of the Listing Agreement with the Stock Exchange.

During the financial year under review four Board Meetings were held on 02nd May, 2014, 08th August, 2014, 05th November, 2014 and 28th January, 2015.

Attendance of each Director at the Board meetings and last Annual General Meeting and number of other Directorships and Chairmanships/Memberships of Committee of each Director in various companies:

Name of Director	Category**	Designation	Board Meetings Attended	Attendance at last AGM	No. of Directorships in other Boards#	No. of Chairmanship/ Membership in other Board Committees\$
Mrs. S. F. Vakil (Promoter)	E.D.	Chairperson & Managing Director	4	Yes	4	Nil
Mr. J. H. C. Jehangir* (Promoter)	N.E.D.	Director	Nil	No	N.A.	
Mr. A. H. Jehangir (Promoter)	N.E.D.	Director	3	Yes	Nil	Nil
Mr. K. D. Patel	I. & N.E.D.	Director	4	Yes	4	1/2
Dr. A. M. Naik	I. & N.E.D.	Director	4	Yes	1	Nil
Mr. K. M. Elavia	I. & N.E.D.	Director	4	Yes	9	5/3

* Mr. J. H. C. Jehangir, Non-Executive Director resigned on 16th January, 2015.

** E.D. – Executive Director, N.E.D. – Non-Executive Director, I. – Independent

The Directorships held by Directors as mentioned above, do not include Alternate Directorships, Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies.

\$ In accordance with Clause 49, Chairmanships/Memberships of only Audit Committees and Stakeholders Relationship Committee of all other public limited companies have been considered.

3. BOARD COMMITTEES:

The Company follows procedures & practices in conformity with the code of Corporate Governance. In keeping with the spirit of the code, the Board had constituted the following committees:

(i) Audit Committee:

The terms of reference cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as in Section 177 of the Companies Act, 2013.

During the year, the Audit Committee was reconstituted and it now comprises of Mr. K. D. Patel as Chairman, Dr. A. M. Naik and Mr. K. M. Elavia as members.

During the financial year under review, five Audit Committee meetings were held on 02nd May, 2014, 08th August 2014, 05th November 2014, 28th January, 2015 and 19th March, 2015.

The attendance at the Audit Committee Meetings is as under:

Name of the Member	No. of meetings attended
1. Mr. K. D. Patel	5
2. Dr. A. M. Naik	5
3. Mr. K. M. Elavia	5

The statutory auditors and the internal auditors of the Company are invited to join the Audit Committee Meetings.

(ii) Stakeholders Relationship Committee:

The Share Transfer & Investors' Grievance Committee is renamed as a Stakeholders Relationship Committee as per the provisions of Listing Agreement and Companies Act, 2013. It now consists of Mr. A. H. Jehangir as Chairman, Mrs. S. F. Vakil and Dr. A. M. Naik as members. The Committee approves share transfers, transmissions, issue of duplicate share certificates; consolidation/split of share certificates, approval of demat position and matters related to Investors Grievances as and when received. During the year under review, NIL complaints were received from the shareholders. The Committee holds fortnightly meetings.

(iii) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee was constituted as per the provisions of Listing Agreement and the Companies Act, 2013. The committee comprises of Mr. K. D. Patel as Chairman, Dr. A. M. Naik, Mr. K. M. Elavia and Mrs. S. F. Vakil as Members. The terms of reference cover the matters specified for Nomination and Remuneration Committee under Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013. During the financial year under review, one committee meeting was held on 08th August, 2014. The policy approved and adopted by the Board of Directors is uploaded on the Company's website at the following link: <http://www.dai-ichiindia.com/downloads/NRCPolicy.pdf>

(iv) Corporate Social Responsibility (CSR) Committee:

The Company has constituted the Corporate Social Responsibility Committee as mandated by Section 135 of the Companies Act, 2013. The Committee comprises of Mr. K. M. Elavia as Chairman, Mr. A. H. Jehangir and Mrs. S. F. Vakil as members. The terms of reference cover the matters specified under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and other relevant provisions. During the financial year under review, there was one Committee meeting held on 5th November, 2014. The policy approved and adopted by the Board of Directors has uploaded on the Company's website at the following link: <http://www.dai-ichiindia.com/downloads/CSRPoly.pdf>



(v) Meeting of Independent Directors:

As mandated by the Companies Act, 2013 and Listing Agreement, a separate meeting of Independent Directors was held for annual evaluation of the following:

- (a) the performance of Non-Independent Directors and the Board as a whole;
- (b) the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- (c) the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Board of Directors also evaluated performance of the Board, the Committees and Independent Directors (without participation of the relevant Director).

The overall outcome of the meeting was that the Board and its individual directors are performing effectively. The Board is well comprised; Directors' skill/expertise provide significant contribution to the Board's discussions and deliberations. The Board encourages implementation of the best corporate governance practices. The quality and quantum of Financial Information provided to the Board is accurate and adequate.

4. REMUNERATION PAID TO DIRECTORS OF THE COMPANY:

(a) Executive Director:

There is only one Executive Director on the Board, i.e. Chairperson and Managing Director – Mrs. S. F. Vakil. Remuneration paid during the year includes Salary amounting to ₹ 43,50,000/- perquisites amounting to ₹ 31,27,450/- and performance incentive amounting to ₹ 18,37,500/-. The remuneration excludes provision for gratuity and leave encashment, which are based on actuarial value for Company as a whole.

(b) Non-Executive Directors:

The sitting fees paid to the Directors during the year under review are as under:

Name of Directors	Fees for Board meeting (₹)	Fees for other committees (₹)
Mr. J. H. C. Jehangir *	Nil	N.A
Mr. A. H. Jehangir	1,50,000/-	10,000/-
Mr. K. D. Patel	1,65,000/-	1,17,500/-
Dr. A. M. Naik	1,65,000/-	1,17,500/-
Mr. K. M. Elavia	1,65,000/-	1,27,500/-

*Mr. J. H. C. Jehangir has resigned with effect from 16th January, 2015.

5. GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

Financial year	Date	Time	Location
2011-2012	10.08.2012	11.30 a.m.	M. C. Ghia Hall, Mumbai
2012-2013	31.07.2013	11.30 a.m.	M. C. Ghia Hall, Mumbai
2013-2014	08.08.2014	11.30 a.m.	M. C. Ghia Hall, Mumbai

Special resolution passed at the last three Annual General Meetings:

Date of AGM	Purpose
10.8.2012	Appointment of Ms. Meher Vakil as Representative for Export Promotion.
31.7.2013	Re-appointment of Mrs. S. F. Vakil as Chairperson and Managing Director.

Postal ballot: No resolution was required to be passed by means of postal ballot during the financial year under review.

6. RELATED PARTY TRANSACTIONS:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were under ordinary course of business and on an arm's length basis.

Details of Related Party Transactions are disclosed in the notes to the financial statements. The policy approved and adopted by the Board of Directors is uploaded on the Company's website at the following link: <http://www.dai-ichiindia.com/downloads/RPTPolicy.pdf>

7. DISCLOSURES:

- There were no materially significant related party transactions that may have potential conflict with the interest of the Company.
- There were no instances of non-compliance nor have any penalties, strictures been imposed by stock exchange or SEBI or any other statutory authority during the last three years on any matter related to the capital markets.
- The Company has a Vigil Mechanism/Whistle Blower Policy. No personnel have been denied access to the audit committee to lodge their grievances. The policy is uploaded on the website of the Company at the following link: <http://www.dai-ichiindia.com/downloads/VigilMechanismPolicy.pdf>
- The Company has in place a Risk Management Policy which identifies elements of risk and the measures to counter it. The policy is reviewed by the Board every year, at the first Board Meeting held after the commencement of the financial year.
- All mandatory requirements are complied with.

8. CODE OF CONDUCT:

During the financial year under review, the Board of Directors has adopted the Code of Conduct for Directors and Senior Management. The Code has also been posted on the Company's website at the following link: <http://www.dai-ichiindia.com/downloads/Code%20of%20Conduct.pdf>. The said Code has been communicated to the Directors and the Members of the Senior Management and they have also affirmed the compliance thereto.

Sd/-

Chairperson and
Managing Director

9. MEANS OF COMMUNICATION:

- Quarterly results are taken on record by the Board of Directors and submitted to the stock exchange in terms of the requirements of Clause 41 of the Listing agreement.
- Quarterly results have been published in Free Press Journal and Nav Shakti.
- Website of the Company is – www.dai-ichiindia.com
- Exclusive e-mail id for investor complaint is investor@dai-ichiindia.com
- No presentations have been made to institutional investors or to analysts.
- The Management Discussion and Analysis Report forms part of Directors Report.



10. GENERAL SHAREHOLDER INFORMATION:

A. Annual General Meeting:

Date, Time and Venue:

31st July, 2015 at 12.00 p.m. at M.C. Ghia Hall,
Bhogilal Hargovindas Building, 4th floor,
18/20 Kaikhushru Dubash Marg, Mumbai-400 001.

B. Financial Calendar (tentative):

Financial Year:

1st April 2015 to 31st March 2016

First Quarter Results

Second week of August, 2015

Half Yearly Results

Second week of November, 2015

Third Quarter Results

Second week of February, 2016

Audited Results for the year ending
31st March, 2016

Third week of May, 2016

C. Dates of Book Closure

25th July, 2015 to 31st July, 2015

D. Dividend Payment Date

14th August, 2015

E. Listing on Stock Exchanges

The Bombay Stock Exchange Ltd.

F. Stock Code –

DAI ICH KARK

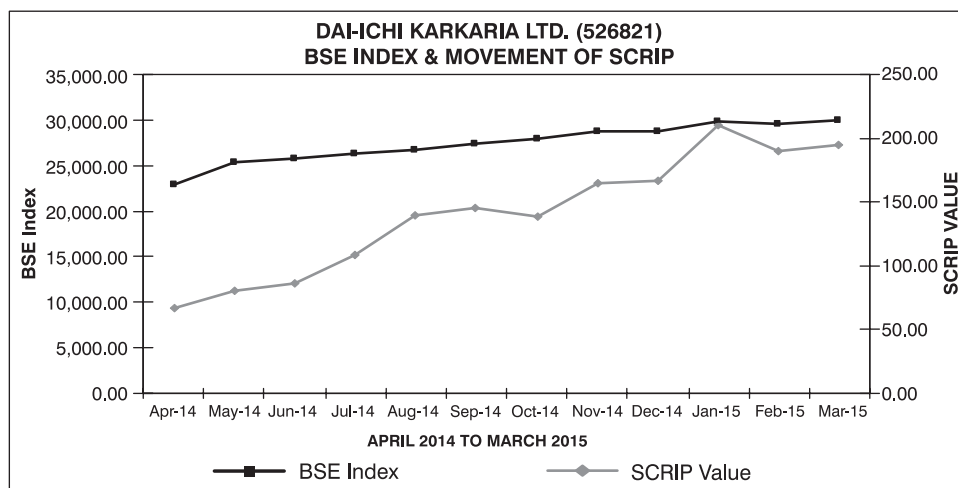
Demat ISIN Number for NSDL & CDSL

INE928C01010

G. Market Price Data:

High/Low Share price of the Company during the last financial year on The Bombay Stock Exchange Ltd. (BSE) (Face Value ₹ 10/-)

Sr. No.	Month	High (₹)	Low (₹)
1.	April 2014	67.00	52.10
2.	May 2014	80.45	62.00
3.	June 2014	85.90	70.10
4.	July 2014	108.40	77.00
5.	August 2014	139.80	101.15
6.	September 2014	145.50	123.10
7.	October 2014	138.50	129.25
8.	November 2014	165.00	124.95
9.	December 2014	167.00	134.05
10.	January 2015	210.00	151.05
11.	February 2015	189.70	148.70
12.	March 2015	195.00	144.00

H. Stock Performance:**I. Registrar and Share Transfer Agents:**

Registrars & Transfer Agents

Sharex Dynamic (India) Pvt. Ltd.
Unit-1, Luthra Ind. Premises,
Andheri Kurla Road, Safed Pool,
Andheri (E), Mumbai-400 072.

Persons to contact

Mr. Adi Patel/Mr. Sasikumar

Telephone No.

28515606/28515644

E-mail address:

sharexindia@vsnl.com

J. Share Transfer System:

The Company follows a fortnightly cycle for processing and updating share transfers. The share transfer register and demat reports are approved by Stakeholders Relationship Committee.

K. Distribution of Shareholding as on 31st March, 2015

No. of shares slab	Number of shareholders	(%)	Number of shares	(%)
UPTO to 100	2,315	54.82	1,85,888	2.49
101 to 200	734	17.38	1,40,834	1.89
201 to 500	618	14.63	2,35,443	3.16
501 to 1000	242	5.73	1,98,718	2.67
1001 to 5000	247	5.85	5,56,238	7.47
5001 to 10000	30	0.71	2,45,993	3.30
10001 to 100000	26	0.62	7,63,274	10.24
100001 to ABOVE	11	0.26	51,24,841	68.78
TOTAL	4,223	100.00	74,51,229	100.00



L. Shareholding Pattern as on 31st March, 2015:

	Categories of Shareholders	No. of shares held	%
A.	Promoters Holding		
	Indian Promoters	40,60,922	54.50
	Foreign Promoters	Nil	Nil
	Persons acting in concert	6,86,717	9.22
	Sub Total	47,47,639	63.72
B.	Non-Promoters Holding		
	Institutional Investors:		
	(i) Mutual Funds and UTI	1,600	0.02
	(ii) Banks, Financial Institutions, Insurance Companies	Nil	Nil
	(iii) FIIs	Nil	Nil
	Sub Total	1,600	0.02
	Others:		
	(i) Private Corporate Bodies	2,99,707	4.02
	(ii) Indian Public	23,04,551	30.93
	(iii) NRIs/OCBs	92,147	1.24
	(iv) Any other (clearing members)	5,585	0.07
	Sub Total	27,01,990	36.26
	GRAND TOTAL	74,51,229	100

M. Dematerialisation of shares:

As on 31st March 2015, 72,09,452 equity shares representing 96.76% of the paid-up Share Capital is held in dematerialized form. Transaction in the equity shares of the Company is permitted only in dematerialized form as per notification issued by SEBI.

N. Plant locations:

105th Milestone, Mumbai Pune Road,
P. O. Kasarwadi, Pune-411 034

Kurkumbh Industrial Area, Plot No. D-13
Village Kurkumbh, Tal. Daund,
Dist. Pune

- O. Address for correspondence:** For information on share transactions in electronic form and physical form and general correspondence:
- Sharex Dynamic (India) Pvt. Ltd. at
Unit-1, Luthra Ind. Premises,
Andheri Kurla Road, Safed Pool,
Andheri (E), Mumbai-400 072.
Tel: 2851 5606/2851 5644
Fax: 2851 2885
E-mail: sharexindia@vsnl.com
- Compliance Officer of the Company is
Mrs. Kavita Thadeshwar (Company Secretary)
- P. Certificate on Corporate Governance** The Company has obtained a certificate from Practicing Company Secretaries confirming compliances with conditions of corporate governance as stipulated in the listing agreement with stock exchange.

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Dai-ichi Karkaria Limited.

We have examined the compliance of conditions of Corporate Governance by Dai-ichi Karkaria Limited, for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 our information and according to the explanations given to us, we certify that the Company has in all material respect 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 future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Vijay Sonone & Co.,**
Company Secretaries

Vijay B. Sonone
Proprietor
FCS - 7301
C.P. No. 7991

Place : Mumbai
Date : 5th May, 2015



INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS OF
DAI-ICHI KARKARIA LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **DAI-ICHI KARKARIA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its 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, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the Directors as on 31st March, 2015 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30.1 (i) (a) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firms' Registration No. 117366W/W-100018

K. A. Katki
Partner
Membership No. 038568

Place : Mumbai
Date : 5th May, 2015



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
 - (a) As explained to us, inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were 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 explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.

- (c) Details of dues of Income-tax, Sales Tax, Service Tax and Value Added Tax which have not been deposited as on 31st March, 2015 on account of disputes are given below:

Name of the Statute	Nature of dues	Period to which the amount relates	Forum where the dispute is pending	Amount (in Rupees)
Income tax Act, 1961	Income Tax	A.Y. 2006-2007	CIT(A)	6,568,800
Income tax Act, 1961	Income Tax	A.Y. 2007-2008	ITAT	972,275
Income tax Act, 1961	Income Tax	A.Y. 2008-2009	ITAT	2,599,294
Income tax Act, 1961	Income Tax	A.Y. 2009-2010	CIT(A)	24,984,135
Income tax Act, 1961	Income Tax	A.Y. 2010-2011	CIT(A)	2,674,861
Income tax Act, 1961	Income Tax	A.Y. 2011-2012	CIT(A)	1,883,760
Income tax Act, 1961	Income Tax	A.Y. 2011-2012	CIT(A)	3,119,907
Maharashtra Value Added Tax Act, 2002	Value Added Tax	F.Y. 2008-09	DCST	1,494,908
Central Sales Tax Act, 1956	Central Sales Tax	F.Y. 2008-09	DCST	6,238,165
Central Sales Tax Act, 1956	Central Sales Tax	F.Y. 2010-11	Jt. CST (A)	165,270
Service Tax	Service Tax	F.Y. 2008-09 to F.Y. 2011-12	CESTAT	10,889,554
Service Tax	Service Tax	F.Y. 2008-09 to F.Y. 2011-12	Addl. Commissioner Central Excise & Service Tax	1,226,428

There are no dues of Wealth Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2015 on account of disputes.

- (d) The Company has been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.
- (viii) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.
- (x) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

Firms' Registration No. 117366W/W-100018

K. A. Katki

Partner

Membership No. 038568

Place : Mumbai

Date : 5th May, 2015



Balance Sheet as at 31 March, 2015

Particulars	Note No.	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital.....	3	7,45,12,290	7,45,12,290
(b) Reserves and surplus	4	82,62,37,835	70,07,79,322
		90,07,50,125	77,52,91,612
2. Non-current liabilities			
(a) Long-term borrowings.....	5	74,56,988	1,05,97,798
(b) Other long-term liabilities.....	6	—	80,49,132
(c) Long-term provisions	7	1,63,46,642	1,09,21,009
		2,38,03,630	2,95,67,939
3. Current liabilities			
(a) Trade payables	8	6,95,21,297	9,25,02,612
(b) Other current liabilities	9	5,76,27,684	5,70,92,384
(c) Short-term provisions	10	2,74,08,611	2,67,03,183
		15,45,57,592	17,62,98,179
TOTAL		1,07,91,11,347	98,11,57,730
II. ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	13,96,70,005	15,33,44,748
(ii) Intangible assets.....		48,210	1,09,582
(iii) Capital work-in-progress.....		5,63,79,174	6,79,73,318
(iv) Intangible assets under development		—	82,725
		19,60,97,389	22,15,10,373
(b) Non-current investments	12	2,93,46,038	2,93,46,038
(c) Deferred tax assets (net)	13	1,18,89,223	42,51,430
(d) Long-term loans and advances.....	14	5,27,37,182	5,32,45,098
		9,39,72,443	8,68,42,566
		29,00,69,832	30,83,52,939
2. Current assets			
(a) Current investments.....	15	39,23,36,223	28,28,27,525
(b) Inventories	16	11,63,14,572	10,44,99,925
(c) Trade receivables	17	18,21,95,254	20,17,12,968
(d) Cash and cash equivalents	18	6,80,16,160	5,60,05,023
(e) Short-term loans and advances.....	19	2,93,34,340	2,63,59,880
(f) Other current assets.....	20	8,44,966	13,99,470
		78,90,41,515	67,28,04,791
TOTAL		1,07,91,11,347	98,11,57,730

The accompanying notes are an integral part of the financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

K. A. Katki
Partner

Place : Mumbai
Date : 5th May, 2015

For and on behalf of the Board of Directors

S. F. Vakil
Kavas Patel
Adi Jehangir

Keki Elavia

Anil Naik

Nitin Nimkar

Kavita Thadeshwar

Chairperson and Managing Director

Director

Director

Director

Director

Financial Comptroller

Company Secretary

Statement of Profit and Loss for the year ended 31 March, 2015

Particulars	Note No.	For the year ended 31 March, 2015 ₹	For the year ended 31 March, 2014 ₹
1. Revenue from operations (gross)	21	1,11,66,27,946	1,17,52,17,983
Less: Excise duty.....		9,39,31,077	9,74,81,256
Revenue from operations (net)		1,02,26,96,869	1,07,77,36,727
2. Other income	22	7,52,14,229	3,86,82,574
3. Total Revenue		1,09,79,11,098	1,11,64,19,301
4. Expenses			
(a) Cost of materials consumed	23	68,92,59,694	73,74,33,616
(b) Changes in inventories of finished goods, work-in-progress.....	24	(1,66,60,069)	1,29,83,035
(c) Employee benefits expenses	25	11,94,05,159	10,57,04,850
(d) Finance costs.....	26	9,25,793	9,71,724
(e) Depreciation and amortisation expenses	29	4,31,86,883	1,56,78,183
(f) Other expenses	27	14,62,43,135	15,00,90,391
Total Expenses		98,23,60,595	1,02,28,61,799
5. Profit before Tax and Exceptional item		11,55,50,503	9,35,57,502
6. Exceptional item:			
Profit on sale of long term investment	30.9	7,45,22,823	6,01,56,325
7. Profit before Tax		19,00,73,326	15,37,13,827
8. Tax expense/(benefit):			
(a) Current Tax	28	4,99,00,000	3,25,00,000
(b) Deferred Tax.....	28	(76,37,794)	(38,98,330)
Net Tax Expenses		4,22,62,206	2,86,01,670
9. Profit for the year		14,78,11,120	12,51,12,157
Earning per Equity Share basic and diluted (of ₹ 10/- each).....		19.84	16.79

The accompanying notes are an integral part of the financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

K. A. Katki
Partner

Place : Mumbai
Date : 5th May, 2015

For and on behalf of the Board of Directors

S. F. Vakil
Kavas Patel
Adi Jehangir
Keki Elavia

Anil Naik
Nitin Nimkar
Kavita Thadeshwar

Chairperson and Managing Director
Director
Director
Director
Director
Financial Comptroller
Company Secretary



Cash Flow Statement for the year ended 31 March, 2015

Particulars	For the year ended 31 March, 2015 ₹	For the year ended 31 March, 2014 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	19,00,73,326	15,37,13,827
Adjustments for:		
Depreciation and amortisation expense	4,31,86,883	1,56,78,183
Provision for doubtful trade and other receivables, loans and advances	3,19,411	24,915
Excess of cost over fair value of current investment	16,399	—
Interest income	(85,09,904)	(41,12,842)
Dividend income	(2,33,73,826)	(1,00,60,191)
Profit on sale of Fixed Assets	(1,55,94,171)	(1,22,969)
Profit on sale of investments	(8,73,52,217)	(7,00,21,640)
Liabilities no longer required written back	(2,57,756)	(78,893)
Rent income	(1,44,79,920)	(1,40,89,530)
Finance costs	9,25,793	9,71,724
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	8,49,54,018	7,19,02,584
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Inventories	(1,18,14,647)	4,35,611
Trade receivables.....	1,91,98,303	(5,26,25,129)
Short-term loans and advances	(29,74,460)	27,14,973
Long-term loans and advances.....	76,893	(28,09,201)
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	(2,27,23,558)	82,14,241
Other current liabilities.....	(15,97,292)	1,97,23,323
Other long-term liabilities	(80,49,132)	—
Short-term provisions.....	1,46,735	7,95,784
Long-term provisions.....	54,25,633	(13,64,272)
	(2,23,11,525)	(2,49,14,670)
CASH GENERATED FROM OPERATIONS	6,26,42,493	4,69,87,914
Net income tax paid.....	(4,77,96,658)	(3,07,24,131)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	1,48,45,835	1,62,63,783
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions to fixed assets	(2,26,29,301)	(2,17,34,029)
Sale proceeds of fixed assets	37,333	5,55,555
Movement in earmarked accounts – unpaid dividend accounts* ...	(16,70,452)	(11,81,181)
Bank balances not considered as cash and cash equivalents:		
— Proceeds from bank deposits	—	2,00,00,000
Current investments not considered as cash and cash equivalents:		
— Purchased	(29,44,39,326)	(38,37,25,056)
— Proceeds from sale	18,25,51,317	25,62,00,908
Proceeds from sale of long-term investments	8,97,15,130	8,49,64,018
Compensation received for Kasarwadi Land	1,87,39,914	—
Interest received	90,64,407	48,02,993
Dividend received	2,33,73,826	1,00,60,191
Rent income	1,44,79,920	1,40,89,530
NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES (B)	1,92,22,768	(1,59,67,071)

* Note: These earmarked balances with bank can be utilized only for specific identified purposes

Cash Flow Statement for the year ended 31 March, 2015 (Contd.)

Particulars	For the year ended 31 March, 2015 ₹	For the year ended 31 March, 2014 ₹
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of sales tax deferral	—	(16,01,010)
Receipt of loan	—	7,65,000
Repayment of loan	(12,36,415)	(10,98,547)
Repayment of fixed deposits	(25,000)	(2,67,000)
Finance costs	(9,25,793)	(9,71,724)
Dividend paid	(1,83,74,870)	(1,84,19,532)
Tax on dividend	(31,65,841)	(31,65,841)
NET CASH FLOW (USED IN) FINANCING ACTIVITIES (C)	(2,37,27,919)	(2,47,58,654)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	1,03,40,684	(2,44,61,941)
Cash and cash equivalent at the beginning of the year	3,70,28,940	6,14,90,881
Cash and cash equivalent at the end of the year	4,73,69,624	3,70,28,940
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS	1,03,40,684	(2,44,61,941)
	For the year ended 31 March, 2015 ₹	For the year ended 31 March, 2014 ₹
Cash and cash equivalents at the end of the year comprise		
(a) Cash on hand	65,098	15,207
(b) Balances with banks		
(i) in current accounts	2,73,04,526	3,70,13,733
(ii) in other deposit accounts having maturity of less than 3 months	2,00,00,000	—
Total Cash and cash equivalents (Refer Note No. 18)	4,73,69,624	3,70,28,940

The accompanying notes are an integral part of the financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

K. A. Katki
Partner

Place : Mumbai
Date : 5th May, 2015

For and on behalf of the Board of Directors

S. F. Vakil
Kavas Patel
Adi Jehangir
Keki Elavia
Anil Naik
Nitin Nimkar
Kavita Thadeshwar

Chairperson and Managing Director
Director
Director
Director
Director
Financial Comptroller
Company Secretary



Notes forming part of the Financial Statements

1. CORPORATE INFORMATION

Dai-ichi Karkaria Ltd. ("DKL")/"the Company") was incorporated on 13th May, 1960 under the laws of the Republic of India and has its registered office at Mumbai (Maharashtra). DKL is engaged in manufacturing of Specialty Chemicals. The Company has joint venture with CTI Chemicals Asia Pacific Pte. Ltd., Singapore.

The activities of the Company are carried out at its plants located at Kasarwadi and Kurkumbh, Pune (Maharashtra)

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and preparation of financial statements

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles (GAAP) and applicable Accounting Standards notified under Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of estimates

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

2.3 Inventories

Inventories are valued at lower of cost and net realizable value, on the weighted average basis. Work in progress, Semi finished goods and Finished goods are valued on absorption costing basis. Due allowance is made for slow moving and obsolete stocks.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

2.5 Cash flow statement

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

2.6 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on fixed assets has been provided on written down value method for assets at Kasarwadi, Pune and on the straight-line method for fixed assets at Kurkumbh, Pune as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation on certain assets located at Kasarwadi acquired prior to April 1, 1993 which are stated at revalued amounts and for which incremental depreciation which was hitherto adjusted out of revaluation reserve, has with effect from current financial year, pursuant to the enactment of 2013 Act, been depreciated in full without any such adjustment out of revaluation reserve.

Intangible assets are amortised over their estimated useful life on written down value method.

Leasehold land is amortised over the duration of the lease.

Notes forming part of the Financial Statements

2.7 Revenue recognition

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

2.8 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.9 Fixed Assets (Tangible/Intangible)

Fixed assets, except Free Hold Land are carried at cost less accumulated depreciation/amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase/completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash consideration.

The Company revalued certain assets located at Kasarwadi plant as on 1 April, 1993. The revalued assets are carried at the revalued amounts less accumulated depreciation until March 31, 2014 and impairment losses, if any. Increase in the net book value on such revaluation was credited to "Revaluation reserve account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation/impairment that was previously recognised in the Statement of Profit and Loss in which case such amount is credited to the Statement of Profit & Loss. Decrease in book value on revaluation is charged to Statement of Profit and Loss except where such decrease relates to a previously recognised increase that was credited to the revaluation reserve, in which case the decrease is charged to the revaluation reserve to the extent the reserve has not been subsequently reversed or utilised.

Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.10 Foreign currency transactions and translations

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Year end balance of monetary items is restated at closing rates. Exchange difference arising on restatement or settlement is charged to Statement of Profit and Loss. Non-monetary items of the Company are carried at historical cost. Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

Premium/discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

2.11 Export incentives

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.



Notes forming part of the Financial Statements

2.12 Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.13 Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined contribution plans

The Company's contributions to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employee.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Long term Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

2.14 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

2.15 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

2.16 Earnings per share

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

Notes forming part of the Financial Statements

2.17 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.18 Research and development expenses

All revenue expenditure is charged to Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Fixed Assets.

2.19 Impairment of assets

The carrying amounts of tangible fixed assets are reviewed for impairment if events or changes in the circumstances indicate that the carrying value of the asset may not be recoverable. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Whenever the carrying value of an asset exceeds its recoverable amount, impairment is charged to Statement of Profit and Loss.

2.20 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.21 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing/utilising the credits.

2.22 Proposed Dividend

Provision is made for proposed dividend, including corporate dividend tax thereon, subject to approval of members.

2.23 Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



Notes forming part of the Financial Statements

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	₹	Number of shares	₹
NOTE 3 : SHARE CAPITAL				
(A) Authorised				
Equity shares of ₹10/- each with voting rights	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
(B) Issued, Subscribed and fully paid				
Equity shares of ₹10/- each with voting rights	74,51,229	7,45,12,290	74,51,229	7,45,12,290
Total	74,51,229	7,45,12,290	74,51,229	7,45,12,290

(C) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	₹	Number of shares	₹
Equity shares				
Opening balance.....	74,51,229	7,45,12,290	74,51,229	7,45,12,290
Add/(Less): Equity shares issued/bought back during the year.....	—	—	—	—
Closing balance	74,51,229	7,45,12,290	74,51,229	7,45,12,290

(D) Details of equity shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
Mr. Ashokumar Parmar.....	1,94,230	2.61	4,96,453	6.66
Mrs. S. F. Vakil.....	9,98,390	13.40	9,98,390	13.40
Mrs. S. F. Vakil jointly with Mr. F. D. Neterwala and Mrs. P. R. Mehta.....	4,92,240	6.61	4,92,240	6.61
Mrs. P. R. Mehta jointly with Mrs. S. F. Vakil and Mr. F. D. Neterwala	16,87,500	22.65	16,87,500	22.65

(E) There were no equity shares allotted as fully paid up pursuant to contracts without payment received in cash, there were no bonus shares allotted and there were no equity shares bought back, during the period of 5 years immediately preceding the Balance Sheet date.

(F) The Company has one class of equity shares having par value of ₹ 10/- per share. The dividend proposed by the Board of Directors is subject to the approval of the members at the ensuing AGM of the Company, except in case of interim dividend which is paid as and when declared by the Board of Directors.

In the event of liquidation of the Company, equity shareholders 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 share held by the shareholders.

Notes forming part of the Financial Statements

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
NOTE 4 : RESERVES AND SURPLUS		
(a) Capital reserve		
Balance as at the beginning and end of the year.....	77,10,000	77,10,000
(b) Capital redemption reserve		
Balance as at the beginning and end of the year.....	15,51,710	15,51,710
(c) Securities premium account		
Balance as at the beginning and end of the year.....	25,94,37,591	25,94,37,591
(d) Revaluation reserve		
Balance as at the beginning of the year.....	3,54,25,307	3,57,06,147
Less: Utilised for set off against depreciation	—	2,80,840
Balance as at the end of the year	3,54,25,307	3,54,25,307
(e) General reserve		
Balance as at the beginning of the year.....	5,19,29,482	3,94,09,482
Add: Transferred from surplus in Statement of Profit and Loss.....	—	1,25,20,000
Balance as at the end of the year	5,19,29,482	5,19,29,482
(f) Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year.....	34,47,25,232	25,40,70,891
Add: Profit for the year.....	14,78,11,120	12,51,12,157
	49,25,36,352	37,91,83,048
Less: Dividend proposed to be distributed to equity shareholders (₹ 2.50/- per share) (Previous year ₹ 2.50/- per share).....	1,86,28,073	1,86,28,073
Tax on dividend	37,24,534	31,65,841
Tax on dividend pertaining to earlier year	—	1,43,902
Transferred to General reserve	—	1,25,20,000
	2,23,52,607	3,44,57,816
Balance as at the end of the year	47,01,83,745	34,47,25,232
Total	82,62,37,835	70,07,79,322



Notes forming part of the Financial Statements

Particulars

NOTE 5 : LONG-TERM BORROWINGS

	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
(a) Term loans from banks – Secured (refer Note (i) below)	68,968	12,02,218
(b) Deferred sales tax liability (refer Note (ii) below) – Unsecured	73,88,020	93,95,580
Total	74,56,988	1,05,97,798

Note (i) The term loans are secured against hypothecation of the vehicles purchased under the loans and are payable in equated monthly installments (EMI) detailed as under:

Name of Lender	Loan amount ₹	Rate of Interest	EMI Amount ₹	Total Nos. of EMI	Outstanding EMI
HDFC Bank Ltd.	4,61,000	12.50%	10,268	60	19
State Bank of India	9,00,000	14.75%	31,251	36	6
State Bank of India	16,49,000	13.75%	57,259	36	12
ICICI Bank Ltd.	7,65,000	10.05%	24,496	36	11

Note (ii) Under the package scheme of incentive for industries in backward area, the Company has been sanctioned deferral of payment of sales tax collection for a period of 74 months commencing August 1, 2000 up-to an amount of ₹ 4,84,42,000/- for the Kurkumbh unit at Pune. The deferred amount is recognized as long term borrowing and is unsecured, interest free and payable after a moratorium period of 10 years in 5 yearly equal installments which commence from year 2011.

The deferred sales tax liability is payable in annual installments as below:

Year	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
2015-16	20,07,553	20,07,553
2016-17	21,73,501	21,73,501
2017-18	19,11,793	19,11,793
2018-19	15,01,600	15,01,600
2019-20	9,92,361	9,92,361
2020-21	5,85,818	5,85,818
2021-22	2,22,954	2,22,954
Total	93,95,580	93,95,580

Note (iii) There are no defaults in repayment of interest & principal as at the balance sheet date.

For the current maturities of long term borrowings, refer item (a) of Note-9 Other current liabilities.

NOTE 6 : OTHER LONG-TERM LIABILITIES

	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
Deposit for rented premises	—	80,49,132
Total	—	80,49,132

Notes forming part of the Financial Statements

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
NOTE 7 : LONG-TERM PROVISIONS		
Provision for employee benefits		
(i) Provision for gratuity (Refer Note No 31)	68,73,164	33,47,241
(ii) Provision for compensated absences	94,73,478	75,73,768
Total	1,63,46,642	1,09,21,009
NOTE 8 : TRADE PAYABLES		
Trade payables:		
(a) Acceptances	42,78,088	1,60,00,419
(b) Other than acceptances (Refer Note 1 below)	6,52,43,209	7,65,02,193
Total	6,95,21,297	9,25,02,612

Note 1. Principal amount payable to Micro and Small Enterprises (to the extent identified by the Company from available information and relied upon by the auditors) is ₹ 3,33,380/- (Previous year ₹ 1,91,202/-) including unpaid amounts of ₹ Nil (Previous year ₹ Nil) outstanding for more than 45 days. No interest is due thereon.

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
NOTE 9 : OTHER CURRENT LIABILITIES		
(a) Current maturities of long term borrowings (Refer Note (i) below)		
(i) Term loans	11,30,970	12,34,135
(ii) Deferred sales tax liabilities	20,07,553	—
(b) Deposit for rented premises	80,49,132	—
(c) Unpaid dividends	17,23,647	14,70,443
(d) Un-encashed matured deposits	20,000	45,000
(e) Security Deposits	4,21,225	4,21,225
(f) Other payables		
(i) Statutory remittances (TDS, Provident Fund & Service Tax)	38,86,049	58,34,810
(ii) Payables on purchase of tangible fixed assets	5,24,487	17,81,898
(iii) Advances from customers	17,48,860	84,75,746
(iv) Other liabilities (Commission, bonus, etc.)	3,81,15,761	3,78,29,127
Total	5,76,27,684	5,70,92,384

Note (i): Refer item (a) & (b) of Note 5 Long term borrowings for details of security.



Notes forming part of the Financial Statements

Particulars

As at
31 March, 2015

As at
31 March, 2014

₹

₹

NOTE 10 : SHORT-TERM PROVISIONS

(a) Provision for employee benefits:

(i) Provision for Gratuity (Refer Note No. 31)	14,24,761	14,24,761
(ii) Provision for Compensated Absences	36,31,243	34,84,508

50,56,004

49,09,269

(b) Provision – Others:

(i) Provision for proposed equity dividend	1,86,28,073	1,86,28,073
(ii) Provision for tax on proposed dividend	37,24,534	31,65,841

2,23,52,607

2,17,93,914

Total

2,74,08,611

2,67,03,183

NOTE 11 : FIXED ASSETS

Particulars	Gross block			As at 31 March, 2015	Accumulated depreciation/amortisation			As at 31 March, 2015	Net Block	
	As at 1 April, 2014	Additions	Deductions		As at 1 April, 2014	For the Year	Deductions		As at 31 March, 2015	As at 31 March, 2014
A. Tangible Assets										
(a) Leasehold Land - Kurkumbh	18,58,391 (18,58,391)	— (—)	— (—)	18,58,391 (18,58,391)	3,12,618 (2,91,969)	20,649 (20,649)	— (—)	3,33,267 (3,12,618)	15,25,124 (15,45,773)	15,45,773 (15,66,422)
(b) Freehold Land	5,36,30,801 (5,36,30,801)	— (—)	31,79,813 (—)	5,04,50,988 (5,36,30,801)	— (—)	— (—)	— (—)	— (—)	5,04,50,988 (5,36,30,801)	5,36,30,801 (5,36,30,801)
(c) Buildings Residential	1,65,16,917 (1,65,16,917)	— (—)	— (—)	1,65,16,917 (1,65,16,917)	93,44,514 (89,67,019)	13,65,730 (3,77,495)	— (—)	1,07,10,244 (93,44,514)	58,06,673 (71,72,403)	71,72,403 (75,49,898)
(d) Buildings: Non-Residential										
Own lease	6,45,86,039 (6,45,86,039)	— (—)	— (—)	6,45,86,039 (6,45,86,039)	5,10,58,731 (4,97,31,018)	48,79,689 (13,27,713)	— (—)	5,59,38,420 (5,10,58,731)	86,47,619 (1,35,27,308)	1,35,27,308 (1,48,55,021)
Given under operating lease	2,90,84,465 (2,90,84,465)	— (—)	— (—)	2,90,84,465 (2,90,84,465)	1,01,54,101 (91,57,766)	31,40,242 (9,96,335)	— (—)	1,32,94,343 (1,01,54,101)	1,57,90,122 (1,89,30,364)	1,89,30,364 (1,99,26,699)
(e) Plant & Machinery	28,74,45,761 (28,07,11,616)	2,99,67,451 (67,34,145)	— (—)	31,74,13,212 (28,74,45,761)	25,49,95,779 (24,64,21,467)	1,59,12,389 (85,74,312)	— (—)	27,09,08,168 (25,49,95,779)	4,65,05,044 (3,24,49,982)	3,24,49,982 (3,42,90,149)
(f) Furniture & Fixtures	2,01,96,892 (1,95,03,813)	17,100 (6,93,079)	— (—)	2,02,13,992 (2,01,96,892)	1,13,68,835 (95,14,341)	59,67,717 (18,54,494)	— (—)	1,73,36,552 (1,13,68,835)	28,77,440 (88,28,057)	88,28,057 (99,89,472)
(g) Laboratory, Office and Factory Equipment and Air conditioners	2,75,78,152 (2,69,27,612)	18,88,217 (6,50,540)	— (—)	2,94,66,369 (2,75,78,152)	2,12,76,212 (2,01,88,358)	46,41,038 (10,87,854)	— (—)	2,59,17,250 (2,12,76,212)	35,49,119 (63,01,940)	63,01,940 (67,39,254)
(h) Vehicles	1,22,11,822 (1,15,46,687)	3,69,044 (28,58,349)	3,55,266 (21,93,214)	1,22,25,600 (1,22,11,822)	53,50,052 (56,26,981)	47,05,443 (14,83,699)	3,52,002 (17,60,628)	97,03,493 (53,50,052)	25,22,107 (68,61,770)	68,61,770 (59,19,706)
Scientific Research - Capital Expenditure :										
(a) Buildings – Non Residential	14,20,149 (14,20,149)	— (—)	— (—)	14,20,149 (14,20,149)	13,60,677 (13,57,398)	3,209 (3,279)	— (—)	13,63,886 (13,60,677)	56,263 (59,472)	59,472 (62,751)
(b) Plant & Machinery	78,33,779 (78,24,529)	1,54,444 (9,250)	— (—)	79,88,223 (78,33,779)	61,20,287 (60,17,058)	9,12,224 (1,03,229)	— (—)	70,32,511 (61,20,287)	9,55,712 (17,13,492)	17,13,492 (18,07,471)
(c) Furniture & Fixtures	6,31,513 (6,31,513)	— (—)	— (—)	6,31,513 (6,31,513)	6,02,169 (5,95,684)	— (6,485)	— (—)	6,02,169 (6,02,169)	29,344 (29,344)	29,344 (35,829)
(d) Laboratory, Office and Factory Equipment and Air conditioners	1,57,31,217 (1,57,31,217)	2,37,596 (—)	— (—)	1,59,68,813 (1,57,31,217)	1,34,37,175 (1,33,86,751)	15,77,181 (50,424)	— (—)	1,50,14,356 (1,34,37,175)	9,54,457 (22,94,042)	22,94,042 (23,44,466)
Total Tangible Assets	53,87,25,898	3,26,33,852	35,35,079	56,78,24,671	38,53,81,150	4,31,25,511	3,52,002	42,81,54,659	13,96,70,005	15,33,44,748
Previous year	(52,99,73,749)	(1,09,45,363)	(21,93,214)	(53,87,25,898)	(37,12,55,810)	(1,58,85,968)	(17,60,628)	(38,53,81,150)	(15,33,44,748)	(15,87,17,938)
B. Intangible Assets										
Computer Software	9,26,620	—	—	9,26,620	8,17,038	61,372	—	8,78,410	48,210	1,09,582
Previous year	(9,26,620)	(—)	(—)	(9,26,620)	(7,43,983)	(73,055)	(—)	(8,17,038)	(1,09,582)	(1,82,637)
Total	53,96,52,518	3,26,33,852	35,35,079	56,87,51,291	38,61,98,188	4,31,86,883	3,52,002	42,90,33,069	13,97,18,215	15,34,54,330
Previous year	(53,09,00,369)	(1,09,45,363)	(21,93,214)	(53,96,52,518)	(37,19,99,793)	(1,59,59,023)	(17,60,628)	(38,61,98,188)	(15,34,54,330)	(15,89,00,576)
C. Capital Work-in-Progress									5,63,79,174	6,79,73,318
D. Intangible Assets under development									—	82,725
Figures in the bracket relate to the previous year										

Notes forming part of the Financial Statements

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
NOTE 12 : NON-CURRENT INVESTMENTS		
Investments (at cost, unless otherwise stated)		
(A) Trade, in equity instruments		
(a) Unquoted:		
(i) of subsidiary company		
48,500 shares (Previous year 48,500 shares) of ₹ 10/- each fully paid up in Dai-ichi Gosei Chemicals (India) Limited *	2,00,000	2,00,000
(ii) of joint venture company		
11,25,000 shares (Previous year 11,25,000 shares) of ₹ 10/- each fully paid up in Champion Dai-ichi Technologies India Limited	67,50,000	67,50,000
	69,50,000	69,50,000
* At cost less diminution other than temporary, aggregating ₹ 2,85,000/- (Previous year ₹ 2,85,000/-)		
(B) Other than trade, in equity instruments		
(a) Quoted:		
57,167 shares (Previous year 57,167 shares) of ₹ 10/- each fully paid up in Clariant Chemicals (India) Limited	13,62,502	13,62,502
8,100 shares (Previous year 8,100 shares) of ₹ 10/- each fully paid up in Bank of India	3,64,500	3,64,500
2,000 shares (Previous year 2,000) of ₹ 2/- each in Bharat Seats Limited	2,000	2,000
(b) Unquoted:		
1,000 shares (Previous year 1,000 shares) of ₹ 25/- each fully paid up of The Shamrao Vithal Co-operative Bank Limited	25,000	25,000
2,500 shares (Previous year 2,500 shares) of ₹ 10/- each fully paid up of The Saraswat Co-operative Bank Limited	25,000	25,000
4,000 shares (Previous year 4,000 shares) of ₹ 25/- each fully paid up of The Zoroastrian Co-operative Bank Limited	1,00,000	1,00,000
	18,79,002	18,79,002
(C) Other than trade, in debentures or Preference shares or bonds		
(a) Quoted:		
10 units (Previous year 10 units) of 11.40% Tata Power Perpetual Bonds of ₹ 10,00,000/- each	1,05,25,000	1,05,25,000
2,472 units (Previous year 2,472 units) of NHAI Bonds (Tranche-I) of ₹ 1,000/- each	24,72,000	24,72,000
(b) Unquoted:		
45,645 Preference shares (Previous year 45,645 shares) of L & T Finance Holdings Limited	45,64,500	45,64,500
	1,75,61,500	1,75,61,500



Notes forming part of the Financial Statements

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
NOTE 12 : NON-CURRENT INVESTMENTS (Contd.)		
(D) Other than trade, in mutual funds		
(a) Quoted:		
1580 Grams (Previous year 1,580 grams) of Benchmark MF Gold Bees	29,55,536	29,55,536
	<u>29,55,536</u>	<u>29,55,536</u>
Total non-current investments	<u>2,93,46,038</u>	<u>2,93,46,038</u>
Notes		
(1) Aggregate cost of quoted investments	1,76,81,538	1,76,81,538
(2) Aggregate market value of listed and quoted investments	6,54,49,166	5,58,64,870
(3) Aggregate cost of unquoted investments (net of diminution in value written off)	1,16,64,500	1,16,64,500
NOTE 13 : DEFERRED TAX ASSETS (NET)		
Deferred tax asset/(liability)		
Deferred tax assets:		
On Employee benefits	72,74,759	53,80,711
On Provision for doubtful debts	6,13,962	5,05,395
On Commission	6,93,188	17,18,969
On Bonus	11,55,378	10,65,409
On Others	5,62,656	5,57,082
On Tangible fixed assets	15,89,280	—
On difference in profit on sale of investments	—	9,83,749
	<u>1,18,89,223</u>	<u>1,02,11,315</u>
Less: Deferred tax liability		
On Tangible fixed assets	—	59,59,885
	<u>—</u>	<u>59,59,885</u>
Net deferred tax asset	<u>1,18,89,223</u>	<u>42,51,430</u>
NOTE 14 : LONG-TERM LOANS AND ADVANCES		
Unsecured, considered good		
(a) Capital advances	31,16,161	14,43,843
(b) Security deposits	1,61,82,053	1,61,27,553
(c) Loans and advances to employees	9,338	1,52,342
(d) Prepaid expenses	2,80,723	2,69,105
(e) VAT credit receivable	22,20,603	22,20,610
(f) Advance income tax (net of provisions)	3,09,28,304	3,30,31,645
Total	<u>5,27,37,182</u>	<u>5,32,45,098</u>

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
NOTE 15 : CURRENT INVESTMENTS		
At cost or market value whichever is less		
(A) Trade, in equity instruments (at cost)		
(a) Unquoted:		
Nil (Previous year 9,87,500) shares of ₹ 10/- each fully paid up in Inogent Laboratories Private Limited*	—	1,51,92,307
* Re-classified from Non-current Investments, pursuant to Agreement		
(B) Other than trade (Valued at cost or market value whichever is less)		
Unquoted Mutual Funds	39,23,36,223	26,76,35,218
Total	39,23,36,223	28,28,27,525
Notes		
(1) Aggregate cost of quoted investments	—	—
(2) Aggregate market value of listed and quoted investments	—	—
(3) Aggregate cost of unquoted investments	39,23,36,223	28,28,27,525

Investment in Mutual Funds (Current investments)

Name of Mutual Fund	Scheme of Mutual Fund	Face Value	As at 31 March, 2015		As at 31 March, 2014	
			No. of units	₹	No. of units	₹
Birla Sun Life	Saving Fund – Daily Dividend – Regular Plan – Reinvestment	10	5,58,387	5,60,04,565	2,30,181	2,30,86,493
Birla Sun Life	Frontline Equity Fund – Growth – Regular Plan	10	33,772	50,00,000	—	—
Birla Sun Life	Short Term Fund – Monthly Dividend – Regular Plan – Reinvestment	10	—	—	4,43,943	52,02,624
Birla Sun Life	Dynamic Bond Fund – Retail – Growth – Regular Plan	10	9,93,745	2,00,00,000	5,59,519	1,00,00,000
BNP Paribas	Medium Term Income Fund Growth	10	10,27,069	1,07,00,000	—	—
DSP BlackRock	DSP BlackRock Top 100 Equity Fund – Regular Growth	10	40,659	34,51,614	40,659	34,51,614
DWS	Gilt Fund – Growth	10	7,58,627	1,00,00,000	7,58,627	1,00,00,000
DWS	Treasury Fund – Cash – Growth	10	83,308	1,09,43,500	83,308	1,09,43,500
Franklin Templeton	Short Term Income Plan – Retail Plan	10	3,970	1,05,00,000	—	—
Franklin Templeton	Corporate Bond Opportunities Fund	10	9,02,364	1,00,00,000	9,02,364	1,00,00,000
Franklin Templeton	Ultra Short Term Fund – Super Institutional Plan	10	12,36,166	1,24,12,783	10,53,918	1,05,65,461
ICICI Prudential	Interval II Quarterly C – Regular Plan Growth	10	17,99,142	1,80,02,900	1,17,82,482	11,78,99,996
ICICI Prudential	Flexible Income Plan Regular – Daily Dividend	10	76,416	80,75,136	71,735	75,80,179
ICICI Prudential	Flexible Income Plan – Regular Growth	10	19,402	44,41,144	60,606	1,38,72,989
ICICI Prudential	Balance Advantage Fund RP Growth	10	4,25,894	1,00,00,000	—	—
IDFC	Banking Debt Fund – Regular Plan – Growth	10	18,24,934	2,00,00,000	18,24,934	2,00,00,000
IDFC	Dynamic Bond Fund – Growth – (Regular Plan)	10	24,20,037	4,00,00,000	—	—
IDFC	Arbitrage Plus Fund – Dividend – (Regular Plan)	10	8,40,966	1,00,11,107	—	—
JM	Arbitrage Advantage Fund – Bonus Option	10	10,01,875	1,00,00,000	—	—
KOTAK	Floater Short Term – Daily Dividend	10	41,116	4,15,93,474	—	—
RELIANCE	Equity Opportunities Fund – Growth Plan – Growth Option	10	75,526	50,00,000	—	—
RELIANCE	Short Term Fund – Growth Plan – Growth Option	10	25,71,862	6,62,00,000	—	—
SBI	Magnum Income Fund – Regular Plan – Growth	10	—	—	3,38,404	1,00,00,000
SBI	Short Term Debt Fund – Regular Plan – Weekly Dividend	10	—	—	4,95,020	50,32,362
Sundaram	Flexible Fund – Short Term Plan Regular Growth	10	4,99,820	1,00,00,000	4,99,820	1,00,00,000
TOTAL				39,23,36,223		26,76,35,218



Notes forming part of the Financial Statements

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
NOTE 16 : INVENTORIES		
At lower of cost and net realisable value		
(a) Raw materials and packing materials.....	4,58,60,457	5,50,20,576
Goods-in-transit	43,41,146	—
	5,02,01,603	5,50,20,576
(b) Fuels	24,44,365	24,70,814
(c) Work-in-progress		
Textile	9,07,935	9,09,642
Anionic/Cationic	3,83,300	3,03,160
Non Ionic	8,74,626	14,38,530
Miscellaneous	92,283	6,97,101
	22,58,144	33,48,433
(d) Semi finished goods	1,62,84,127	1,30,74,665
(e) Finished goods	4,51,26,333	3,05,85,437
Total	11,63,14,572	10,44,99,925
NOTE 17 : TRADE RECEIVABLES		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured – considered Good	6,24,348	4,62,072
– considered Doubtful	18,06,303	14,86,892
	24,30,651	19,48,964
Less: Provision for doubtful trade receivables.....	18,06,303	14,86,892
	6,24,348	4,62,072
Other Trade receivables – Unsecured, considered Good	18,15,70,906	20,12,50,896
Total	18,21,95,254	20,17,12,968

Notes forming part of the Financial Statements

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
NOTE 18 : CASH AND CASH EQUIVALENTS		
(A) Cash and cash equivalents (as per AS 3 Cash Flow Statements)		
(a) Cash on hand.....	65,098	15,207
(b) Balances with banks:		
(i) In current accounts	1,78,41,065	65,35,710
(ii) In EEFC accounts	94,63,461	3,04,78,023
(iii) In other deposit accounts		
– Original maturity of 3 months or less	2,00,00,000	—
Total – Cash and cash equivalents (as per AS 3 Cash Flow Statements) (A)	4,73,69,624	3,70,28,940
(B) Other bank balances (Refer Note (i) below)		
(i) In other deposit accounts		
– Original maturity of more than 3 months.....	1,00,00,000	1,00,00,000
(ii) In earmarked accounts		
– Unpaid dividend accounts	17,30,647	14,70,443
– Balances held as margin money against guarantees and other commitments.....	89,15,889	75,05,640
Total – Other bank balances (B)	2,06,46,536	1,89,76,083
Total Cash and cash equivalents (A+B)	6,80,16,160	5,60,05,023
Note:		
(i) Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date	1,00,00,000	—
NOTE 19 : SHORT-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
(a) Loans and advances to employees.....	1,65,079	4,65,009
(b) Prepaid expenses.....	27,22,926	24,93,357
(c) Balances with government authorities		
(i) Cenvat credit receivable.....	63,17,513	71,78,713
(ii) Service Tax credit receivable.....	26,95,506	35,63,408
(iii) Duty drawback receivable.....	21,71,089	34,19,911
(d) Others (advances to suppliers etc.)	1,52,62,227	92,39,482
Total	2,93,34,340	2,63,59,880
NOTE 20 : OTHER CURRENT ASSETS		
(a) Interest accrued on bank deposits.....	86,690	6,50,245
(b) Interest accrued on other deposits.....	7,58,276	7,49,225
Total	8,44,966	13,99,470



Notes forming part of the Financial Statements

Particulars	For the year ended 31 March, 2015 ₹	For the year ended 31 March, 2014 ₹
NOTE 21 : REVENUE FROM OPERATIONS		
(a) Sale of products [Refer Note (i) below]	1,10,83,75,751	1,16,79,33,268
(b) Sale of services (Job work)	12,82,322	1,62,964
(c) Other operating revenues [Refer Note (ii) below]	69,69,873	71,21,751
	1,11,66,27,946	1,17,52,17,983
(d) Less: Excise duty on revenue from operations	9,39,31,077	9,74,81,256
Total	1,02,26,96,869	1,07,77,36,727
Note		
(i) Sale of products comprises:		
Manufactured goods		
Anionic/Cationic	17,86,30,257	15,62,07,869
Non Ionic	22,59,44,293	29,16,62,458
Textile	10,75,45,233	12,26,56,097
Oil Field	27,34,65,969	26,97,74,224
Flocculants	7,48,58,125	10,31,75,416
Others	24,79,31,874	22,21,48,454
Total – Sale of manufactured goods	1,10,83,75,751	1,16,56,24,518
Traded goods		
Others	—	23,08,750
Total – Sale of traded goods	—	23,08,750
Total – Sale of products	1,10,83,75,751	1,16,79,33,268
(ii) Other operating revenues comprise:		
Duty drawback	41,41,348	41,13,649
Commission	42,145	95,376
Scrap sales	27,86,380	29,12,726
Total – Other operating revenues	69,69,873	71,21,751
NOTE 22 : OTHER INCOME		
(a) Interest income (Refer Note (i) below)	85,09,904	41,12,842
(b) Dividend income:		
from current investments	70,79,099	45,72,192
from long-term investments:		
Joint venture	45,00,000	33,75,000
Others	1,17,94,727	21,12,999
(c) Net gain on sale of investments		
Current investments	1,28,29,394	98,65,315
(d) Other non operating income		
Rental income from operating lease	1,44,79,920	1,40,89,530
Bad debts recovered	—	1,63,491
Profit on sale of assets (Refer Note 30.6)	1,55,94,171	1,22,969
Sundry balances written back	2,57,756	78,893
Miscellaneous receipts	1,69,258	1,89,343
Total	7,52,14,229	3,86,82,574

Notes forming part of the Financial Statements

Particulars	For the year ended 31 March, 2015 ₹	For the year ended 31 March, 2014 ₹
Note:		
(i) Interest income comprises:		
Interest from banks on deposits	17,88,152	19,89,603
Interest from banks on other balances	595	838
Interest on loans and advances	5,498	2,43,273
Interest income from long term investments	13,42,704	13,42,705
Other interest:		
Others	53,72,955	5,36,423
Total	85,09,904	41,12,842

NOTE 23 : COST OF MATERIALS CONSUMED

Raw Materials consumed comprise (Refer Note (i) below)

Ethylene Oxide	19,26,28,441	17,74,65,346
Fatty Alcohol, Phenol & Glycol	16,96,80,408	15,60,45,256
Oils & Fatty Acids	3,25,83,313	6,39,52,155
Acrylamide	2,73,67,635	3,18,90,710
Amines	3,40,19,709	4,30,54,091
Other items	23,29,80,188	26,50,26,058
Total	68,92,59,694	73,74,33,616

Note (i)

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
Raw material consumed:	%	₹	%	₹
Imported.....	18.41%	12,69,07,445	21.48%	15,84,20,095
Indigenous	81.59%	56,23,52,249	78.52%	57,90,13,521
Total	100%	68,92,59,694	100%	73,74,33,616

NOTE 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS

Inventories at the end of the year

Finished goods	4,51,26,333	3,05,85,437
Semi finished goods.....	1,62,84,127	1,30,74,665

Work-in-progress:

Textile	9,07,935	9,09,642
Anionic/Cationic	3,83,300	3,03,160
Non Ionic	8,74,626	14,38,530
Miscellaneous	92,283	6,97,101
	6,36,68,604	4,70,08,535



Notes forming part of the Financial Statements

Particulars

For the year
ended
31 March, 2015
₹

For the year
ended
31 March, 2014
₹

NOTE 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS (Contd.)

Inventories at the beginning of the year

Finished goods	3,05,85,437	4,07,92,852
Semi finished goods.....	1,30,74,665	1,78,74,764

Work-in-progress:

Textile	9,09,642	—
Anionic/Cationic	3,03,160	6,28,094
Non Ionic	14,38,530	6,95,860
Sizing	6,97,101	—

4,70,08,535 5,99,91,570

Net (increase)/decrease

(1,66,60,069) 1,29,83,035

NOTE 25 : EMPLOYEE BENEFITS EXPENSE

Salaries and wages	10,07,55,031	9,18,28,461
Contributions to provident and other funds	1,06,03,441	61,37,444
Staff welfare expenses.....	80,46,687	77,38,945
Total	11,94,05,159	10,57,04,850

NOTE 26 : FINANCE COSTS

Interest on Term Loans*	2,32,173	3,71,607
Interest – Others.....	6,93,620	6,00,117
Total	9,25,793	9,71,724

* No borrowing cost has been capitalised since there are no qualifying assets

NOTE 27 : OTHER EXPENSES

Consumption of stores and spare parts	77,82,465	39,26,240
Excise duty*	1,14,867	(1,239,397)
Power and fuel	4,48,00,087	4,80,29,093
Rent	26,29,774	25,60,203
Repairs and maintenance		
Buildings	12,75,237	14,09,206
Machinery	45,03,983	44,28,711
Others	40,25,945	45,31,876
Insurance	16,02,584	11,88,046
Rates and taxes	26,42,249	34,69,424
Freight Expenses	2,07,53,115	2,07,55,992
Commission on sales	1,87,75,090	1,67,19,349
Donations	2,00,000	15,00,000
Expenditure on Corporate Social Responsibility – Donation	11,63,000	—
Bank Charges	26,87,203	37,14,668
Telephone, telex and telegrams	20,28,938	17,64,246
Vehicle Expenses	11,38,379	13,07,551
Legal and professional	76,70,996	1,04,17,652
Travelling Expenses	29,10,339	28,67,015
Directors' Sitting Fees	10,17,500	3,60,000
Net loss/(gain) on foreign currency transactions and translations	(35,10,403)	1,34,985
Payments to auditors (Refer Note (i) below)	28,00,020	25,03,008
Excess of cost over fair value of current investment	16,399	—
Provision for doubtful trade and other receivables, loans and advances (net)	3,19,411	24,915
Miscellaneous expenses	1,88,95,957	1,97,17,608
Total	14,62,43,135	15,00,90,391

* represents excise duty on difference between closing and opening stock

Notes forming part of the Financial Statements

Particulars	For the year ended 31 March, 2015 ₹	For the year ended 31 March, 2014 ₹
Note: (i)		
Payments to the auditors comprises (net of service tax):		
To statutory auditors		
For audit	13,45,000	11,00,000
For tax audit	—	3,00,000
For limited review/consolidation	11,25,000	10,00,000
For certification	—	1,00,000
For other services.....	3,27,500	—
For out of pocket expenses	2,520	3,008
Total	28,00,020	25,03,008

NOTE 28 : TAX EXPENSE

(a) Current Tax		
for the year.....	4,99,00,000	3,25,00,000
(b) Deferred tax		
for the year.....	(76,37,794)	(38,98,330)
Total	4,22,62,206	2,86,01,670

NOTE 29 : DEPRECIATION AND AMORTISATION EXPENSES

Depreciation and amortisation for the year on tangible assets as per Note 12 A ...	4,31,25,511	1,58,85,968
Amortisation for the year on intangible assets as per Note 12 B	61,372	73,055
Less: Utilised from revaluation reserve	—	2,80,840
Total	4,31,86,883	1,56,78,183



Notes forming part of the Financial Statements

NOTE 30 : ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
30.1 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent Liabilities		
Claims against the Company not acknowledged as debt:		
(a) Pending litigations:		
1. Octroi (wrong classification of raw materials)*	2,43,07,427	2,43,07,427
2. Disputed income tax liability	3,19,58,492	3,19,58,492
* Includes ₹ 1,41,97,321/- (Previous year ₹ 1,41,97,321/-) for which bank guarantee has been given and shown under 30.1 (i)(c).		
(b) Others		
1. Labour matters (back wages and compensation under Workmen Compensation Act).....	18,52,485	13,23,007
2. Disputed income tax liability	1,08,44,540	1,15,86,506
3. Disputed Sales Tax liability.....	78,98,343	77,33,073
4. Service Tax (Dispute on mode of payment)	1,21,15,982	1,10,89,554
(c) Guarantees issued to others by Bank secured by counter guarantee of the Company and by charge on the fixed assets, inventories and book debts of the Company	1,41,97,321	1,41,97,321
(d) Customs duty bonds**	3,11,95,150	5,91,54,165
** Includes ₹ 75,63,537/- (Previous year ₹ 3,35,42,831/-) of Bonds, issued jointly in name of the Company and Champion Dai-ichi Technologies India Ltd. (Jointly Controlled Entity)		
(e) The wage agreement with employees at Kasarwadi Plant had expired on 30 th November, 2008. Negotiations with employees are in progress. Pending finalisation of an agreement, the Company has made an accrual of ₹ 83,46,104/- based on its estimate of likely settlement with the employees. The Company does not expect any further significant additional liability on this account.		
Future outflow in respect of above matters are determinable only on receipt of judgement/decisions pending at various forums/authorities.		
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets	23,62,788	1,35,44,781

Notes forming part of the Financial Statements

30.2 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

- (i) Loans and advances in the nature of loans given to subsidiaries, associates, firms/companies in which directors are interested:

Name of the party	Relationship	Amount outstanding as at 31 March, 2015	Maximum balance outstanding during the year
Indian Oxides & Chemicals Limited	Associate	— (—)	— (70,00,000)

Note: Figures in bracket relate to the previous year.

30.3 Details on derivative instruments and unhedged foreign currency exposures

- I. There are no outstanding forward exchange contracts entered into by the Company as on 31 March, 2015 (Previous year Nil)
- II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

As at 31 March, 2015		As at 31 March, 2014	
Receivable/ (Payable) Rupees	Receivable/ (Payable) in Foreign currency (USD)	Receivable/ (Payable) Rupees	Receivable/ (Payable) in Foreign currency (USD)
4,81,76,526 (1,54,31,393)	7,77,859 (2,44,749)	2,99,99,030 (94,38,633)	5,05,886 (1,56,539)

Particulars

30.4 Value of imports calculated on CIF basis:

Raw materials and packing materials

Capital Goods

**For the year
ended
31 March,
2015**
₹

For the year
ended
31 March,
2014
₹

11,70,47,564
3,88,287

14,88,33,549
—

30.5 Expenditure in foreign currency:

Travelling

Commission

Business Promotion Expenses

Registration and Application fees

Professional fees

Repairs & Maintenance Expenses

Membership & Subscription

6,42,303
14,00,019
—
—
7,49,493
—
—

4,93,738
11,06,903
5,38,712
6,216
7,39,102
84,834
2,82,824

30.6 Other Income includes ₹ 1,55,94,171/- being Profit on compulsory acquisition of parcel of land at Kasarwadi by Government of Maharashtra.

**For the year
ended
31 March,
2015**
₹

For the year
ended
31 March,
2014
₹

22,92,88,960
42,145
—

24,38,08,059
95,376
3,405

30.7 Earnings in foreign exchange:

Export of goods calculated on FOB basis

Other income – Commission

Legal & Professional fees (Reimbursement)



Notes forming part of the Financial Statements

- 30.8** During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. The details of previously applied depreciation rates/useful life are as follows:

Sr. No.	Asset	Previous depreciation method		Previous depreciation rate		Revised useful life based on WDV	Revised useful life based on SLM
		HO & Kasarwadi	Others	HO & Kasarwadi	Others	HO & Kasarwadi	Others
1.	Factory Buildings	WDV	SLM	10% / ~ 28 years	3.34% / ~ 28 years	30 years	30 years
2.	Residential Building	WDV	SLM	5% / ~ 60 years	—	60 years	—
3.	Computers and Data Processing Equipment	WDV	SLM	40% / ~ 6 years	16.21% / ~ 6 years	3 years	3 years
4.	Plant and Equipment	WDV	SLM	27.82% / ~ 20 years	4.75% / ~ 20 years	20 years	20 years
5.	Furniture and Fixtures	WDV	SLM	18.1% / ~ 15 years	6.33% / ~ 15 years	10 years	10 years
6.	Lab Equipment	WDV	SLM	13.91% / ~ 20 years	4.75% / ~ 20 years	10 years	10 years
7.	Vehicles	WDV	SLM	25.89% / ~ 10 years	9.5% / ~ 10 years	8 years	8 years

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be Nil as on April 1, 2014, and has recognised an amount of ₹ 90,97,488/- as depreciation expense in the Statement of Profit and Loss.

The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 2,37,79,725/- consequent to the change in the useful life of the assets.

- 30.9** During the year the Company sold its remaining holdings in Inogent Laboratories Pvt. Ltd at a consideration of ₹ 8,97,15,130/- resulting in a profit of ₹ 7,45,22,823/- which is disclosed as an exceptional item in the Statement of Profit and Loss.

NOTE 31 : DISCLOSURES UNDER ACCOUNTING STANDARDS

Employee benefit plans

(A) Defined contribution plans

The Company provides Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 59,78,451/- (Previous year ₹ 54,52,592/-) for Provident Fund contributions and ₹ 4,25,739/- (Previous year ₹ 5,81,025/-) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(B) Defined benefit plans

The Defined Benefit Plans comprise of Gratuity. Gratuity is a benefit to an employee based on 15 days of last drawn salary for each completed year of service.

Notes forming part of the Financial Statements

NOTE 31 : DISCLOSURES UNDER ACCOUNTING STANDARDS (Contd.)

Particulars	Gratuity	
	Year ended 31 March, 2015 ₹	Year ended 31 March, 2014 ₹
I. Change in defined benefit obligations (DBO) during the year:		
Present value of DBO at beginning of the year.....	4,62,10,422	4,59,47,023
Current service cost	11,70,797	12,64,491
Interest cost	31,28,594	26,74,866
Actuarial (gains)/losses.....	34,16,449	(5,01,962)
Past service cost	—	—
Benefits paid.....	(75,67,658)	(31,73,996)
Present value of DBO at the end of the year.....	4,63,58,604	4,62,10,422
II. Change in fair value of assets during the year:		
Plan assets at beginning of the year	4,14,38,420	3,95,16,140
Expected return on plan assets.....	36,05,143	34,37,904
Actuarial gain/(loss)	(1,94,220)	(84,835)
Actual company contributions	7,78,994	1,74,3207
Benefits paid.....	(75,67,658)	(31,73,996)
Plan assets at the end of the year.....	3,80,60,679	4,14,38,420
III. Analysis of Defined Benefit Obligation:		
Defined Benefit Obligation as at 31st March	4,63,58,604	4,62,10,422
Fair value of plan assets at the end of the year.....	3,80,60,679	4,14,38,420
Net asset/(liability) recognised in the Balance Sheet	(82,97,925)	(47,72,002)
IV. Net asset/(liability) recognised in the Balance Sheet:		
Present value of defined benefit obligation	4,63,58,604	4,62,10,422
Fair value of plan assets	3,80,60,679	4,14,38,420
Funded status [Surplus/(Deficit)].....	(82,97,925)	(47,72,002)
Unrecognised past service costs	—	—
Net asset/(liability) recognised in the Balance Sheet	(82,97,925)	(47,72,002)
V. Change in defined benefit obligations (DBO) during the year:		
Current service cost	11,70,797	12,64,491
Interest cost.....	31,28,594	26,74,866
Expected return on plan assets.....	(36,05,143)	(34,37,904)
Actuarial (gains)/losses.....	(14,20,673)	(4,17,127)
Total Expenses recognised in the statement of Profit & Loss ..	(7,26,425)	84,326
VI. Actuarial assumptions:		
Discount rate	7.95%	9.03%
Expected return on plan assets.....	7.95%	8.70%
Salary escalation	6%	5.00%
Medical cost inflation.....	NA	NA
Estimate of amount of contribution in the immediate next year	20,00,000	20,00,000



Notes forming part of the Financial Statements

NOTE 31 : DISCLOSURES UNDER ACCOUNTING STANDARDS (Contd.)

VII. Experience adjustments	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Gratuity	₹	₹	₹	₹	₹
Experience gain/(loss) adjustments on plan liabilities	34,16,449	(5,01,982)	34,71,072	(1,09,582)	18,73,719
Experience gain/(loss) adjustments on plan assets...	1,94,220	(84,835)	33,276	3,00,815	2,77,724
Defined Benefit Obligation at the end of the period.....	4,63,58,604	4,62,10,422	4,59,47,023	4,31,74,993	4,37,04,341
Plan Assets at the end of the period.....	3,80,60,679	4,14,38,420	3,95,16,140	3,84,45,154	3,80,10,966
Funded status [Surplus/ (Deficit)]	(82,97,925)	(47,72,002)	(64,30,883)	(47,29,839)	(47,78,080)

- (a) The Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated terms of the obligations.
- (b) Expected Rate of Return of Plan Assets: This is based on the expectation of the average long term rate of return expected on investments of the Fund during the estimated term of obligations.
- (c) Salary Escalation Rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

NOTE 32 : DISCLOSURES UNDER ACCOUNTING STANDARDS

- (i) The Company operates exclusively in the Speciality Chemicals business segment which is the only reportable business segment.
- (ii) The geographical segments individually contributing 10 percent or more of the Company's revenues and segment assets are shown separately:

Geographical Segment	Revenues for the year ended 31 March, 2015	Segment assets as at 31 March, 2015	Capital expenditure incurred during the year ended 31 March, 2015
	₹	₹	₹
Outside India	23,61,71,591 (25,14,06,686)	4,81,76,526 (2,99,99,030)	Nil (Nil)
Within India	95,56,70,584 (96,24,93,871)	1,03,09,34,821 (95,11,58,700)	3,26,33,852 (1,09,45,363)

Note: Figures in bracket relate to the Previous year

Notes forming part of the Financial Statements

NOTE 33 : DISCLOSURES UNDER ACCOUNTING STANDARDS

33.1 : Related Party Transactions

33.1.a : Details of Related Parties:

Description of relationship	Names of related parties
(i) Subsidiary	Dai-ichi Gosei Chemicals (India) Limited (DGCIL)
(ii) Jointly controlled entities (JCE) (Refer Note 35)	Champion Dai-ichi Technologies India Limited (CDTIL)
(iii) Key Management Personnel (KMP)	Mrs. S. F. Vakil - Managing Director (SFV)
(iv) Relatives of KMP	i) Mr. D. M. Neterwala – Father of Managing Director (DMN – Since deceased) ii) Ms. Meher F. Vakil – Daughter of Managing Director (MFV) iii) Mrs. P. R. Mehta – Sister of Managing Director (PRM)
(v) Entities in which KMP/Relatives of KMP can exercise significant influence	i) Indian Oxides & Chemicals Limited (IOCL) ii) Rose Investments Limited (RIL) iii) Inogen Laboratories Private Limited (ILPL) iv) SDN Company (SDNC) v) Uni Klinger Limited (UKL) vi) Anosh Finance & Investment Pvt. Ltd. (AFIPL) vii) Universal Ferro & Allied Chemicals Limited (UFACL) viii) General Pharmaceuticals Pvt. Ltd. (GPPL) ix) Neta India Limited (NIL) x) Neterwala Consulting & Corporate Services Limited (NCCS) xi) Chemicals and Ferro Alloys Pvt. Ltd. (CFAPL)

33.1.b : Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015:

Particulars	Subsidiaries (DGCIL)	JCE (CDTI)	KMP (SFV)	Relatives of KMP	Entities in which KMP/ relatives of KMP can exercise significant influence	Total
	₹	₹	₹	₹	₹	₹
Purchase of goods:		53,933 (Nil)				53,933 (Nil)
IOCL.....					1,91,626 (18,32,135)	1,91,626 (18,32,135)
GPPL					35,68,061 (5,52,301)	35,68,061 (5,52,301)
UKL					91,847 (10,70,956)	91,847 (10,70,956)
NIL					27,904 (Nil)	27,904 (Nil)



Notes forming part of the Financial Statements

Particulars	Subsidiaries (DGCIL)	JCE (CDTI)	KMP (SFV)	Relatives of KMP	Entities in which KMP/ relatives of KMP can exercise significant influence	Total
	₹	₹	₹	₹	₹	₹
Sales of Goods:		12,27,77,295 (11,67,73,790)				12,27,77,295 (11,67,73,790)
IOCL					47,17,173 (78,28,784)	47,17,173 (78,28,784)
GPPL					34,85,619 (23,93,277)	34,85,619 (23,93,277)
Purchase of fixed assets		36,9044 (Nil)				3,69,044 (Nil)
Sale of fixed assets		Nil (Nil)				Nil (Nil)
Rendering of services/ Reimbursement of expenses:	Nil (1,100)	9,93,561 (5,83,219)				9,93,561 (5,84,319)
SDNC					4,72,310 (3,79,879)	4,72,310 (3,79,879)
ILPL					6,335 (25,039)	6,335 (25,039)
Receiving of services/ Reimbursement of expenses:			Nil (12,647)			Nil (12,647)
SDNC					20,000 (Nil)	20000 (Nil)
UFACL					57,401 (54,605)	57,401 (54,605)
NCCSL					21,264 (Nil)	21,264 (Nil)
AFIPL					34,340 (Nil)	34,340 (Nil)
NIL					Nil (21,914)	Nil (21,914)
DMN				Nil (1,56,443)		Nil (1,56,443)

Notes forming part of the Financial Statements

Particulars	Subsidiaries (DGCIL)	JCE (CDTI)	KMP (SFV)	Relatives of KMP	Entities in which KMP/ relatives of KMP can exercise significant influence	Total
	₹	₹	₹	₹	₹	₹
Compensation/others:			26,00,029 (20,99,080)			26,00,029 (20,99,080)
DMN				Nil (4,18,476)		Nil (4,18,476)
Remuneration			93,14,950 (78,62,541)			93,14,950 (78,62,541)
Interest received - IOCL					Nil (2,33,972)	Nil (2,33,972)
Dividend received		45,00,000 (33,75,000)				45,00,000 (33,75,000)
Dividend paid:			37,26,576 (32,09,075)			37,26,576 (32,09,075)
DMN				4,16,251 (4,16,250)		4,16,251 (4,16,250)
FAV				1,97,523 (1,99,145)		1,97,523 (1,99,145)
PRM				42,18,750 (42,18,750)		42,18,750 (42,18,750)
RIL					6,57,000 (65,7000)	6,57,000 (6,57,000)
GPPL					1,460 (1,460)	1,460 (1,460)
CFAPL					6,42,500 (6,42,500)	6,42,500 (6,42,500)
Consultancy Fees - MFV				7,49,493 (7,39,102)		7,49,493 (7,39,102)
Investments	2,00,000 (2,00,000)	67,50,000 (67,50,000)				69,50,000 (69,50,000)
ILPL					Nil	Nil
<u>Balances outstanding at the end of the year</u>					(1,51,92,307)	(1,51,92,307)
Trade receivables:		2,62,22,077 (2,73,36,193)				2,62,22,077 (2,73,36,193)
IOCL					3,73,121 (38,61,186)	3,73,121 (38,61,186)
GPPL					44,713 (7,16,027)	44,713 (7,16,027)
UFACO					2,48,812 (Nil)	2,48,812 (Nil)
Deposits - DMN				32,00,000 (32,00,000)		32,00,000 (32,00,000)
Trade payables - UKL ...					Nil (2,813)	Nil (2,813)

Note: Figures in bracket relate to previous year.



Notes forming part of the Financial Statements

NOTE 34 : DISCLOSURES UNDER ACCOUNTING STANDARDS

Note	Particulars	For the year ended 31 March, 2015 ₹	For the year ended 31 March, 2014 ₹
34.1	Details of leasing arrangements		
	<u>As Lessor</u>		
34.1.a	The Company has entered into operating lease arrangements for commercial premises at Worli. Depreciation recognised on the leased assets	31,40,242	9,96,335
	Accumulated depreciation on the leased assets	1,32,94,343	1,01,54,101
34.1.b	<u>As Lessee</u>		
	The Company has entered into operating lease arrangement for office premises. The leases are not non-cancellable. Lease payments recognised in the Statement of Profit and Loss	26,29,774	25,17,556

Note	Particulars	For the year ended 31 March, 2015 ₹	For the year ended 31 March, 2014 ₹
34.2	Earnings per share		
	<u>Basic & Diluted</u>		
	Profit for the year (₹)	14,78,11,120	12,51,12,157
	Weighted average number of equity shares	74,51,229	74,51,229
	Par value per share (₹)	10	10
	Earnings per share – Basic and Diluted (₹)	19.84	16.79

NOTE 35 : DISCLOSURES UNDER ACCOUNTING STANDARDS

Interest in joint ventures

Jointly controlled entity (JCE):

Name of joint venture and country of incorporation	% of interest / ownership	Amount of interest based on accounts for the year ended 31 March, 2015					
		Assets	Liabilities	Income	Expenditure	Contingent liabilities	Capital commitments
		₹	₹	₹	₹	₹	₹
Champion Dai-ichi Technologies India Limited - India	50 (50)	40,95,69,231 (23,68,04,973)	40,95,69,231 (23,68,04,973)	83,94,36,743 (44,54,89,348)	70,17,79,200 (38,84,71,817)	4,20,06,400 (1,27,99,644)	7,40,296 (22,55,899)

Note: Figures in brackets relate to the previous year.

NOTE 36 : Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board of Directors

S. F. Vakil	Chairperson and Managing Director
Kavas Patel	Director
Keki Elavia	Director
Adi Jehangir	Director
Anil Naik	Director
Nitin Nimkar	Financial Comptroller
Kavita Thadeshwar	Company Secretary

Place : Mumbai
Date : 5th May, 2015

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DAI-ICHI KARKARIA LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **DAI-ICHI KARKARIA LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its jointly controlled entity as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.



Other Matters

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of ₹ 244,059 as at 31st March, 2015, total revenues of ₹ 15,867 and net cash flows amounting to ₹ 4,778 for the year ended on that date, as considered in the consolidated financial statements. These financial statements has been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary company and jointly controlled company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and jointly controlled company incorporated in India, none of the directors of the Group companies and its jointly controlled company incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entity– Refer Note 30.1 (i) (a) to the consolidated financial statements.
 - ii. The Group and its jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary company, and its jointly controlled company incorporated in India.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018

K. A. Katki

Partner

Membership No. 038568

Place : Mumbai

Date : 5th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Our reporting on the Order includes one subsidiary company to which the Order is applicable, which has been audited by other auditor and our report in respect of this entity is based solely on the report of the other auditor, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

- (i) In respect of the fixed assets of the Holding Company and jointly controlled company incorporated in India (there were no fixed assets at the subsidiary company incorporated in India):
 - (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a regular programme of verification which, in our opinion and the opinion of the other auditor, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us and the other auditor, no material discrepancies were noticed on such verification.
- (ii) In respect of the inventories of the Holding Company and jointly controlled company incorporated in India (there were no inventories at the subsidiary company incorporated in India):
 - (a) As explained to us, the inventories were physically verified during the year by the Management of the respective entities at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.
 - (c) In our opinion and according to the information and explanations given to us and the other auditor, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
- (iii) The Holding Company, subsidiary company and jointly controlled company incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system in the Holding Company and jointly controlled company incorporated in India, commensurate with the size of the respective entities and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our and the other auditor audit no continuing failure to correct major weaknesses in such internal control system has been observed. In respect of the subsidiary company incorporated in India, the other auditor has reported that there are adequate internal control procedures commensurate with the size of the company for purchase of fixed assets and as the subsidiary company has not transacted any business, the question of commenting on adequate internal control procedures commensurate with the nature of its business with regard to purchase on inventory and for the sale of goods did not arise.



- (v) According to the information and explanations given to us, the Holding Company, subsidiary company and jointly controlled company incorporated in India have not accepted any deposit during the year. In respect of unclaimed deposits, the Holding Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. There were no unclaimed deposits with the subsidiary and jointly controlled company incorporated in India.
- (vi) According to the information and explanations given to us, in our opinion, the Holding Company and jointly controlled company incorporated in India have, *prima facie*, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete. The maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013 is not applicable to the subsidiary company incorporated in India.
- (vii) According to the information and explanations given to us, in respect of statutory dues of the Holding Company, Subsidiary company and jointly controlled company incorporated in India:
- The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities.
 - There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
 - Details of dues of Income-tax, Sales Tax, Service Tax and Value Added Tax which have not been deposited as on 31st March, 2015 on account of disputes by the aforesaid entities are given below:

Nature of dues	Forum where the dispute is pending	Aggregate Amount Involved (₹)
Income Tax	CIT (A)	3,92,31,464
Income Tax	ITAT	35,71,568
Value Added Tax	DCST	14,94,908
Central Sales Tax	DCST	62,38,165
Central Sales Tax	Jt. CST (A)	1,65,270
Service Tax	CESTAT	1,08,89,554
Service Tax	Addl. Commissioner Central Excise & Service Tax	12,26,428

There are no dues of Wealth Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2015 on account of disputes.

- The aforesaid entities have been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.
- (viii) The Group and jointly controlled entity does not have consolidated accumulated losses at the end of the financial year and the Group and its jointly controlled entity have not incurred cash losses on a

consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.

- (ix) In our opinion and according to the information and explanations given to us, the Holding Company, subsidiary company and jointly controlled company incorporated in India have not defaulted in the repayment of dues to financial institutions and banks. The Holding Company, subsidiary company and jointly controlled company incorporated in India have not issued any debentures.
- (x) According to the information and explanations given to us, the Holding Company, subsidiary company and jointly controlled company incorporated in India have not given guarantees for loans taken by others from banks and financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Holding Company and jointly controlled company incorporated in India during the year for the purposes for which they were obtained. The subsidiary company incorporated in India did not obtain any term loans during the year.
- (xii) To the best of our knowledge and according to the information and explanations given to us and the other auditor, no fraud by the Holding Company, its subsidiary company and jointly controlled company incorporated in India and no material fraud on the Holding Company, its subsidiary company and jointly controlled company incorporated in India has been noticed or reported during the year.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018

K. A. Katki

Partner

Membership No. 038568

Place: Mumbai

Date : 5th May, 2015



Consolidated Balance Sheet as at 31 March, 2015

Particulars	Note No.	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	7,45,12,290	7,45,12,290
(b) Reserves and surplus.....	4	<u>1,00,84,94,126</u>	<u>79,87,71,470</u>
		1,08,30,06,416	87,32,83,760
2. Minority interest		7,138	7,020
3. Non-current liabilities			
(a) Long-term borrowings	5	76,16,163	1,08,62,884
(b) Other long-term liabilities	6	—	80,49,132
(c) Long-term provisions	7	<u>1,83,86,811</u>	<u>1,18,40,330</u>
		2,60,02,974	3,07,52,346
4. Current liabilities			
(a) Trade payables.....	8	26,41,65,280	20,44,99,797
(b) Other current liabilities.....	9	6,28,17,585	5,88,04,148
(c) Short-term provisions	10	<u>2,99,53,531</u>	<u>2,68,51,830</u>
		35,69,36,396	29,01,55,775
Total		<u>1,46,59,52,924</u>	<u>1,19,41,98,901</u>
II. ASSETS			
1. Non-current assets			
(a) Fixed assets	11		
(i) Tangible assets.....		16,01,23,166	16,84,00,609
(ii) Intangible assets		48,210	1,09,582
(iii) Capital work-in-progress		5,63,79,174	6,79,73,318
(iv) Intangible assets under development.....		—	82,725
		21,65,50,550	23,65,66,234
(b) Non-current investments.....	12	2,24,09,538	2,24,09,538
(c) Deferred tax assets (net).....	13	1,43,91,475	50,45,797
(d) Long-term loans and advances	14	<u>12,89,14,249</u>	<u>10,00,23,061</u>
		16,57,15,262	12,74,78,396
	A	38,22,65,812	36,40,44,630
2. Current assets			
(a) Current investments	15	39,54,67,976	28,57,79,954
(b) Inventories	16	16,48,35,880	13,83,33,175
(c) Trade receivables	17	37,55,69,794	30,13,15,507
(d) Cash and cash equivalents.....	18	11,45,18,063	7,43,53,972
(e) Short-term loans and advances	19	3,18,05,223	2,86,86,427
(f) Other current assets	20	<u>14,90,176</u>	<u>16,85,236</u>
		1,08,36,87,112	83,01,54,271
Total		<u>1,46,59,52,924</u>	<u>1,19,41,98,901</u>

The accompanying notes are an integral part of the financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

K. A. Katki
Partner

Place : Mumbai
Date : 5th May, 2015

For and on behalf of the Board of Directors

S. F. Vakil
Kavas Patel
Adi Jehangir

Keki Elavia

Anil Naik

Nitin Nimkar

Kavita Thadeshwar

Chairperson and Managing Director

Director

Director

Director

Director

Financial Comptroller

Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31 March, 2015

Particulars	Note No.	For the year ended 31 March, 2015 ₹	For the year ended 31 March, 2014 ₹
1. Revenue from operations (gross).....	21	1,91,16,92,722	1,58,11,09,126
Less: Excise duty		10,16,87,109	10,73,39,650
Revenue from operations (net)		1,81,00,05,613	1,47,37,69,476
2. Other income.....	22	7,23,08,797	3,68,15,901
3. Total revenue (1+2).....		1,88,23,14,410	1,51,05,85,377
4. Expenses			
(a) Cost of materials consumed.....	23	1,16,24,18,187	97,58,45,631
(b) Changes in inventories of finished goods, work-in-progress	24	(2,27,92,703)	94,33,981
(c) Employee benefits expenses.....	25	15,31,85,220	12,39,81,206
(d) Finance costs	26	17,29,772	16,76,043
(e) Depreciation and amortisation expenses.....	29	4,56,82,676	1,69,22,217
(f) Other expenses.....	27	29,27,18,078	23,87,36,778
Total Expenses		1,63,29,41,230	1,36,65,95,856
5. Profit before Tax and Exceptional item.....		24,93,73,180	14,39,89,521
6. Exceptional item:			
Profit on sale of long term investments.....	30.5	7,45,22,823	6,01,56,325
7. Profit before Tax		32,38,96,003	20,41,45,846
8. Tax expense/(benefit):	28		
(a) Current Tax		10,04,01,526	5,35,00,700
(b) Deferred Tax		(93,45,679)	(53,96,799)
Net tax expense.....		9,10,55,847	4,81,03,901
9. Profit after tax before share of minority interest		23,28,40,156	15,60,41,945
Share of profit attributable to minority interest		(118)	(46)
10. Net Profit for the year attributable to the shareholders of the Company		23,28,40,038	15,60,41,899
Earnings per Equity Share basic and diluted (of ₹ 10/- each)		31.25	20.94

The accompanying notes are an integral part of these financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

K. A. Katki
Partner

For and on behalf of the Board of Directors

S. F. Vakil
Kavas Patel
Adi Jehangir
Keki Elavia
Anil Naik
Nitin Nimkar
Kavita Thadeshwar

Chairperson and Managing Director
Director
Director
Director
Director
Financial Comptroller
Company Secretary

Place : Mumbai
Date : 5th May, 2015



Consolidated Cash Flow Statement for the year ended 31 March, 2015

Particulars

A. CASH FLOW FROM OPERATING ACTIVITIES

	For the year ended 31 March, 2015 ₹	For the year ended 31 March, 2014 ₹
Net Profit before tax	32,38,96,003	20,41,45,846
Adjustments for:		
Depreciation and amortisation expense.....	4,56,82,676	1,69,22,217
Provision for doubtful trade and other receivables, loans and advances.....	12,52,115	24,915
Compensation for deficiency in performance	20,06,978	—
(Profit)/Loss on sale of Fixed Assets.....	(1,53,99,872)	(1,22,969)
Interest income	(97,07,729)	(47,40,303)
Dividend income.....	(1,90,55,175)	(68,75,230)
Excess of cost or fair value of current MF investments	16,399	—
Profit on sale of investments.....	(8,73,52,217)	(7,00,21,640)
Liabilities no longer required written back.....	(2,57,756)	—
Rent income	(1,44,79,920)	(1,40,89,530)
Finance costs.....	17,29,772	16,76,043
Operating profit/(loss) before working capital changes	22,83,31,274	12,69,19,349
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Inventories	(2,65,02,705)	(2,06,29,217)
Trade receivables	(7,55,06,404)	(10,04,31,059)
Short-term loans and advances.....	(31,18,795)	53,51,369
Long-term loans and advances.....	(3,42,73,228)	(1,07,36,612)
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	5,99,23,239	7,40,27,910
Other current liabilities	18,78,375	1,96,45,781
Other long-term liabilities.....	(80,49,132)	—
Short-term provisions	5,36,030	8,91,000
Long-term provisions	65,46,480	(12,00,676)
	(7,85,66,140)	(3,30,81,504)
Cash generated from operations	14,97,65,134	9,38,37,845
Net income tax paid	(9,52,23,613)	(5,87,49,328)
Net cash flow from operations (A)	5,45,41,521	3,50,88,517

B. CASH FLOW FROM INVESTING ACTIVITIES

Additions to Fixed Assets.....	(2,89,67,395)	(2,80,69,359)
Sale proceeds of fixed assets	1,64,481	5,55,555
Movement in earmarked accounts - unpaid dividend accounts *	(1,44,70,045)	(11,81,181)
Bank balances not considered as Cash and cash equivalents:		
– New Deposits placed	—	(37,22,578)
– Proceeds from bank deposits.....	—	2,00,00,000
Current investments not considered as Cash and cash equivalents:		
– Purchased	(29,46,18,650)	(38,39,13,067)
– Proceeds from sale	18,25,51,317	25,62,00,910
Proceeds from sale of long-term investments	8,97,15,130	8,49,64,018
Compensation received for Kasarwadi Land	1,87,39,914	—
Interest received	99,02,791	53,48,028
Dividend received	1,90,55,175	68,75,230
Rent income	1,44,79,920	1,40,89,530
Net cash flow (used in) investing activities (B)	(34,47,362)	(2,88,52,914)

* Note: These earmarked balances with bank can be utilized only for specific identified purposes

Consolidated Cash Flow Statement for the year ended 31 March, 2015 (Contd.)

Particulars	For the year ended 31 March, 2015 ₹	For the year ended 31 March, 2014 ₹
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of sales tax deferral	—	(16,01,017)
Receipt of Loan.....	—	11,41,386
Repayment of Loan	(13,39,855)	(11,70,101)
Repayment of Fixed Deposits.....	(25,000)	(2,67,000)
Finance costs	(17,29,772)	(16,76,043)
Dividend paid.....	(1,83,74,869)	(1,84,19,532)
Tax on dividend	(39,30,617)	(37,39,423)
Net cash flow (used in) financing activities (C)	(2,54,00,113)	(2,57,31,730)
Net increase/(decrease) in Cash and cash equivalents (A+B+C) ...	2,56,94,046	(1,94,96,127)
Cash and cash equivalent at the beginning of the year	4,69,19,980	6,64,16,107
Cash and cash equivalent at the end of the year	7,26,14,026	4,69,19,980
Net increase/(decrease) in cash or cash equivalents	2,56,94,046	(1,94,96,127)
	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
Cash and Cash equivalents at the end of the year comprise		
(a) Cash on hand	68,898	18,412
(b) Balances with banks		
(i) in current accounts	3,73,32,398	4,67,26,568
(ii) in other deposit accounts having maturity of less than 3 months.....	3,52,12,730	1,75,000
Total Cash and bank balances (Refer Note 18)	7,26,14,026	4,69,19,980

Note:

See accompanying notes forming part of the financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

K. A. Katki
Partner

Place : Mumbai
Date : 5th May, 2015

For and on behalf of the Board of Directors

S. F. Vakil
Kavas Patel
Adi Jehangir
Keki Elavia
Anil Naik
Nitin Nimkar
Kavita Thadeshwar

Chairperson and Managing Director
Director
Director
Director
Director
Financial Comptroller
Company Secretary



Notes forming part of Consolidated Financial Statements

1. CORPORATE INFORMATION

Dai-ichi Karkaria Limited ("the Company") was incorporated on 13th May, 1960 under the laws of the Republic of India and has its registered office at Mumbai (Maharashtra). The Company has a Joint Venture with CTI Chemicals Asia Pacific Pte. Ltd., Singapore. The Joint Venture Company is known as Champion Dai-ichi Technologies India Limited. (CDTIL). The Company and CDTIL are engaged in manufacture and sale of Specialty Chemicals. The manufacturing activities of the Company are carried out at its plants located at Kasarwadi and Kurkumbh, Pune and CDTIL at Jejuri, Pune.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company and its subsidiary (together the 'Group') and jointly controlled entity have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets at a location acquired before 1 April, 1993, that are carried at revalued amounts. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

2.2 Principles of consolidation

The consolidated financial statements relate to Dai-ichi Karkaria Limited (the 'Company'), its subsidiary company Dai-ichi Gosei Chemicals (India) Limited, where the holding company holds ninety seven percent of equity capital, jointly controlled entity CDTIL where the holding company holds fifty percent of equity capital. The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the subsidiary company & jointly controlled entity used in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March, 2015.
- (ii) The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- (iii) Share of profit/loss, assets and liabilities in the jointly controlled entity, which is not subsidiary, have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS 27 *Financial Reporting of Interests in Joint Ventures*. The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity.
- (iv) The excess of cost to the Group of its investments in the subsidiary companies/jointly controlled entity over its share of equity of the subsidiary companies/jointly controlled entities, at the dates on which the investments in the subsidiary company/jointly controlled entity were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary company/jointly controlled entity as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements.
- (v) Minority Interest in the net assets of the consolidated subsidiary consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary company were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit/loss for the year of the subsidiary attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- (vi) Goodwill arising on consolidation is not amortised but tested for impairment.
- (vii) Following subsidiary companies and jointly controlled entity have been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power either directly or indirectly through subsidiary as at	
				31 March, 2015	31 March, 2014
Dai-ichi Gosei Chemicals (India) Limited	Subsidiary Jointly controlled entity	India	DIKL Co-venturers	97%	97%
CDTIL				50%	50%

Notes forming part of Consolidated Financial Statements (Contd.)

2.3 Use of estimates

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

2.4 Inventories

Inventories are valued at the lower of cost (JCE - FIFO/Holding Company - weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

2.5 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

2.6 Cash flow statement

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

2.7 Depreciation and amortisation

Depreciation is provided as per useful life prescribed in schedule II to the Companies Act, 2013 on:

- written down value method for assets at Kasarwadi, Pune (including R & D assets).
- straight line method for fixed assets at Kurkumbh, Pune and at Jejuri.
- cost of leasehold land is amortized over the lease period.

Depreciation on certain assets located at Kasarwadi acquired prior to April 1, 1993 which are stated at revalued amounts and for which incremental depreciation which was hitherto adjusted out of revaluation reserve, has with effect from current financial year, pursuant to the enactment of 2013 Act, been depreciated in full without any such adjustment out of revaluation reserve.

Intangible assets are amortised over their estimated useful life on written down value method

2.8 Revenue recognition

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Income from services

Income from other services rendered are recognized when the service is rendered and in according with service contracts.

2.9 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.10 Fixed Assets (Tangible/Intangible)

Fixed assets, except Free Hold Land are carried at cost less accumulated depreciation/amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase/completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash consideration.



Notes forming part of Consolidated Financial Statements (Contd.)

The Group revalued certain assets located at Kasarwadi plant as on 1 April, 1993. The revalued assets are carried at the revalued amounts less accumulated depreciation until March 31, 2014 and impairment losses, if any. Increase in the net book value on such revaluation was credited to "Revaluation reserve account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation/impairment that was previously recognised in the Statement of Profit and Loss in which case such amount is credited to the Statement of Profit and Loss. Decrease in book value on revaluation is charged to Statement of Profit and Loss except where such decrease relates to a previously recognised increase that was credited to the revaluation reserve, in which case the decrease is charged to the revaluation reserve to the extent the reserve has not been subsequently reversed or utilised.

Capital work-in-progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.11 Foreign currency transactions and translations

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Year end balance of monetary items is restated at closing rates. Exchange difference arising on restatement or settlement is charged to Statement of Profit and Loss. Non-monetary items of the group are carried at historical cost. Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the group are recognised as income or expense in the Statement of Profit and Loss.

Premium/discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the balance sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

2.12 Export incentives

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

2.13 Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.14 Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund, compensated absences.

Defined contribution plans

The Group's contributions to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employee.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Long term Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

2.15 Segment reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Notes forming part of Consolidated Financial Statements (Contd.)

2.16 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

2.17 Earnings per share

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

2.18 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.19 Research and development expenses

All revenue expenditure is charged to Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Fixed Assets.

2.20 Impairment of assets

The carrying amounts of tangible fixed assets are reviewed for impairment if events or changes in the circumstances indicate that the carrying value of the asset may not be recoverable. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Whenever the carrying value of an asset exceeds its recoverable amount, impairment is charged to Statement of Profit and Loss.

2.21 Provisions and contingencies

A provision is recognised when the group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.22 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing/utilising the credits.

2.23 Proposed Dividend

Provision is made for proposed dividend, including corporate dividend tax thereon, subject to approval of members.

2.24 Operating Cycle

Based on the nature of products/activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	₹	Number of shares	₹
NOTE 3 : SHARE CAPITAL				
(A) Authorised				
Equity shares of ₹ 10/- each with voting rights	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
(B) Issued, Subscribed and fully paid				
Equity shares of ₹ 10/- each with voting rights	74,51,229	7,45,12,290	74,51,229	7,45,12,290
Total	74,51,229	7,45,12,290	74,51,229	7,45,12,290

(C) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period.

	As at 31 March, 2015		As at 31 March, 2014	
	Equity Shares	₹	Equity Shares	₹
	Number of shares		Number of shares	
Equity shares outstanding at the beginning of the year	74,51,229	7,45,12,290	74,51,229	7,45,12,290
Add/(Less) : Equity shares issued/bought back during the year	—	—	—	—
Equity shares outstanding at the end of the year	74,51,229	7,45,12,290	74,51,229	7,45,12,290

(D) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
Mr. Ashokumar Parmar.....	1,94,230	2.61	4,96,453	6.66
Mrs. S. F. Vakil.....	9,98,390	13.40	9,98,390	13.40
Mrs. S. F. Vakil jointly with Mr. F. D. Neterwala and Mrs. P. R. Mehta.....	4,92,240	6.61	4,92,240	6.61
Mrs. P. R. Mehta jointly with Mrs. S. F. Vakil and Mr. F. D. Neterwala	16,87,500	22.65	16,87,500	22.65

(E) There were no equity shares allotted as fully paid up pursuant to contracts without payment received in cash, there were no bonus shares allotted and there were no equity shares bought back, during the period of 5 years immediately preceding the Balance Sheet date.

(F) The Company has one class of equity shares having a par value of ₹ 10/- per share. Each equity share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the members at the ensuing AGM of the company, except in case of interim dividend which is paid as and when declared by the Board of Directors.

In the event of liquidation of the Company, equity shareholders 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 share held by the shareholders.

Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
NOTE 4 : RESERVES AND SURPLUS		
(a) Capital reserve		
Balance as at the beginning and end of the year.....	77,10,000	77,10,000
(b) Capital redemption reserve		
Balance as at the beginning and end of the year.....	15,51,710	15,51,710
(c) Securities premium account		
Balance as at the beginning and end of the year.....	25,94,37,591	25,94,37,591
(d) Revaluation reserve		
Balance as at the beginning of the year.....	3,54,25,307	3,57,06,147
Less: Utilised for set off against depreciation	—	2,80,840
Balance as at the end of the year	3,54,25,307	3,54,25,307
(e) General reserve		
Balance as at the beginning of the year.....	5,19,29,482	3,94,09,482
Add: Transferred from surplus in Statement of Profit and Loss.....	—	1,25,20,000
Balance as at the end of the year	5,19,29,482	5,19,29,482
(f) Reserve arising on deemed disposal of subsidiary		
Balance as at the beginning and end of the year.....	1,19,55,472	1,19,55,472
(g) Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year.....	34,10,73,038	25,36,29,954
Add: Profit for the year.....	14,39,74,611	11,85,25,900
Less: Proposed dividend (₹ 2.50 per share) (Previous year: ₹ 2.50 per share)	1,86,28,073	1,86,28,073
Less: Dividend Distribution Tax on Proposed Dividend	37,24,534	31,65,841
Add: Dividend Received from Joint Venture	45,00,000	33,75,000
Less: Tax on dividend pertaining to earlier years.....	—	1,43,902
Less: Transferred to General Reserve.....	—	1,25,20,000
Balance as at the end of the year	46,71,95,042	34,10,73,038
(h) Share of Joint Venture (refer note no. 36)		
Balance as at the beginning of the year.....	8,96,88,869	5,61,21,451
Add: Profit for the year.....	8,88,65,428	3,75,16,000
Less: Dividend paid.....	45,00,000	33,75,000
Less: Dividend Distribution Tax Paid.....	7,64,775	5,47,510
Less: Tax on dividend pertaining to earlier year.....	—	26,072
Balance as at the end of the year	17,32,89,522	8,96,88,869
Total	1,00,84,94,126	79,87,71,470
NOTE 5 : LONG-TERM BORROWINGS		
(a) Term loans		
From banks Secured (refer Note(i) below).....	68,968	12,02,218
(b) Deferred sales tax liability (refer Note (ii) below) – Unsecured	73,88,020	93,95,580
Total	74,56,988	1,05,97,798
Share of Joint Venture – Refer Note 36	1,59,175	2,65,086
Total	76,16,163	1,08,62,884



Notes forming part of Consolidated Financial Statements (Contd.)

Note (i) The term loans are secured against hypothecation of the vehicles purchased under the loans and are payable in equated monthly installments (EMI) details as under:

Name of lender	Loan Amount ₹	Rate of Interest	EMI Amount ₹	Total Nos. of EMI	Outstanding EMI
HDFC Bank Ltd	4,61,000	12.50%	10,268	60	19
State Bank of India	9,00,000	14.75%	31,251	36	6
State Bank of India	16,49,000	13.75%	57,259	36	12
ICICI Bank	7,65,000	10.05%	24,496	36	11
Bank of India (Joint Venture)	8,92,500	10.70%	22,938	48	27

Note (ii) Under the package scheme of incentive for industries in backward area, the Company has been sanctioned deferral of payment of sales tax collection for a period of 74 months commencing August 1, 2000 up-to an amount of ₹ 4,84,42,000 for the Kurkumbh unit at Pune. The deferred amount is recognized as long term borrowing and is unsecured, interest free and payable after a moratorium period of 10 years in 5 yearly equal installments which commence from year 2011.

The deferred sales tax liability is payable in annual installments as below:

Year	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
2015-16	20,07,553	20,07,553
2016-17	21,73,501	21,73,501
2017-18	19,11,793	19,11,793
2018-19	15,01,600	15,01,600
2019-20	9,92,361	9,92,361
2020-21	5,85,818	5,85,818
2021-22	2,22,954	2,22,954
Total	93,95,580	93,95,580

The Group has not defaulted in repayment of principle and interest as at the Balance Sheet date.

For the current maturities of long term borrowings, refer item (a) of Note-9 Other current liabilities

Particulars

NOTE 6 : OTHER LONG-TERM LIABILITIES

	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
Deposit for rented premises	—	80,49,132
Total	—	80,49,132

NOTE 7 : LONG-TERM PROVISIONS

Provision for employee benefits:

(i) Provision for gratuity (refer note 31)	68,73,164	33,47,241
(ii) Provision for compensated absences	94,73,478	75,73,768
Total	1,63,46,642	1,09,21,009
Share of Joint Venture – Refer Note 36	20,40,169	9,19,321
Grand Total	1,83,86,811	1,18,40,330

Notes forming part of Consolidated Financial Statements (Contd.)

Particulars

NOTE 8 : TRADE PAYABLES

Trade payables:

	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
Acceptances	42,78,088	1,60,00,419
Other than acceptances (refer note no. (i) below)	6,52,49,381	7,65,08,364
Total	6,95,27,469	9,25,08,783
Share of Joint Venture – Refer Note 36	19,46,37,811	11,19,91,014
Grand Total	26,41,65,280	20,44,99,797

Note no. (i) – Principal amount payable to Micro and Small Enterprises (to the extent identified by the Company from available information and relied upon by the auditors) is ₹ 3,33,380 (Previous year: ₹ 1,91,202) including unpaid amounts of ₹ Nil (Previous year: ₹ Nil) outstanding for more than 45 days. No interest is due thereon.

NOTE 9 : OTHER CURRENT LIABILITIES

(a) Current maturities of long term borrowings (refer note (i) below):

	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
(i) Term loan	11,30,970	12,34,135
(ii) Deferred sales tax liability	20,07,553	—
(b) Deposit for rented premises	80,49,132	—
(c) Unpaid dividends	17,23,647	14,70,443
(d) Un encashed matured deposits	20,000	45,000
(d) Security Deposits	4,21,225	4,21,225
(e) Other payables:		
(i) Statutory remittances (TDS, Service Tax, PF)	38,86,049	58,34,810
(ii) Payables on purchase of tangible fixed assets	5,24,487	17,81,898
(iii) Advances from customers	17,48,860	84,75,746
(iv) Other liabilities (Commission, bonus, etc.)	3,81,15,761	3,78,29,127
Total	5,76,27,684	5,70,92,384
Share of Joint Venture – Refer Note 36	51,89,901	17,11,764
Grand Total	6,28,17,585	5,88,04,148

Note (i) : Refer item (a) & (b) of Note 5 Long term borrowings for details of security.

NOTE 10 : SHORT-TERM PROVISIONS

(a) Provision for employee benefits:

	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
(i) Provision Gratuity (refer note no 31)	14,24,761	14,24,761
(ii) Provision for Compensated Absences	36,31,243	34,84,508
	50,56,004	49,09,269
(b) Provision – Others:		
(i) Provision for proposed equity dividend	1,86,28,073	1,86,28,073
(ii) Provision for tax on proposed dividends	37,24,534	31,65,841
	2,23,52,607	2,17,93,914
Total	2,74,08,611	2,67,03,183
Share of Joint Venture – Refer Note 36	25,44,920	1,48,647
Grand Total	2,99,53,531	2,68,51,830



Notes forming part of Consolidated Financial Statements (Contd.)

NOTE 11 : FIXED ASSETS

₹

Particulars	Gross block at cost				Depreciation				Net Block	
	As at 1 April, 2014	Additions	Deductions	As at 31 March, 2015	As at 1 April, 2014	For the year	Deductions	As at 31 March, 2015	As at 31 March, 2015	As at 31 March, 2014
A. Tangible Assets										
(a) Leasehold Land- Kurkumbh	18,58,391	—	—	18,58,391	3,12,618	20,649	—	3,33,267	15,25,124	15,45,773
	(18,58,391)	(—)	(—)	(18,58,391)	(2,91,969)	(20,649)	(—)	(3,12,618)	(15,45,773)	(15,66,422)
(b) Freehold Land	5,36,30,801	—	31,79,813	5,04,50,988	—	—	—	—	5,04,50,988	5,36,30,801
	(5,36,30,801)	(—)	(—)	(5,36,30,801)	(—)	(—)	(—)	(—)	(5,36,30,801)	(5,36,30,801)
(c) Buildings - Residential ...	1,65,16,917	—	—	1,65,16,917	93,44,514	13,65,730	—	1,07,10,244	58,06,673	71,72,403
	(1,65,16,917)	(—)	(—)	(1,65,16,917)	(89,67,019)	(3,77,495)	(—)	(93,44,514)	(71,72,403)	(75,49,898)
(d) Buildings - Non Residential										
Own lease	6,45,86,039	—	—	6,45,86,039	5,10,58,731	48,79,689	—	5,59,38,420	86,47,619	1,35,27,308
	(6,45,86,039)	(—)	(—)	(6,45,86,039)	(4,97,31,018)	(13,27,713)	(—)	(5,10,58,731)	(1,35,27,308)	(1,48,55,021)
Given under operating lease	2,90,84,465	—	—	2,90,84,465	1,01,54,101	31,40,242	—	1,32,94,343	1,57,90,122	1,89,30,364
	(2,90,84,465)	(—)	(—)	(2,90,84,465)	(91,57,766)	(9,96,335)	(—)	(1,01,54,101)	(1,89,30,364)	(1,99,26,699)
(e) Plant & Equipment	28,74,45,762	2,99,67,451	—	31,74,13,213	25,49,95,780	1,59,12,389	—	27,09,08,169	4,65,05,044	3,24,49,982
	(28,07,11,608)	(67,34,145)	(—)	(28,74,45,762)	(24,64,21,469)	(85,74,312)	(—)	(25,49,95,780)	(3,24,49,982)	(3,42,90,148)
(f) Furniture & Fixtures	2,01,96,892	17,100	—	2,02,13,992	1,13,68,835	59,67,717	—	1,73,36,552	28,77,440	88,28,057
	(1,95,03,813)	(6,93,079)	(—)	(2,01,96,892)	(95,14,341)	(18,54,494)	(—)	(1,13,68,835)	(88,28,057)	(99,89,472)
(g) Laboratory, Office and Factory Equipment and Air conditioners	2,75,78,152	18,88,217	—	2,94,66,369	2,12,76,212	46,41,038	—	2,59,17,250	35,49,119	63,01,940
	(2,69,27,616)	(6,50,540)	(—)	(2,75,78,152)	(2,01,88,358)	(10,87,854)	(—)	(2,12,76,212)	(63,01,940)	(67,39,254)
(h) Vehicles	1,22,11,822	2,05,025	3,55,266	1,20,61,581	53,50,052	46,91,703	3,52,002	96,89,753	23,71,828	68,61,770
	(1,15,46,686)	(28,58,349)	(21,93,214)	(1,22,11,822)	(56,26,981)	(14,83,699)	(17,60,628)	(53,50,052)	(68,61,770)	(59,19,706)
Scientific Research – Capital Expenditure :										
(a) Building – Non Residential	14,20,149	—	—	14,20,149	13,60,677	3,209	—	13,63,886	56,263	59,472
	(14,20,149)	(—)	(—)	(14,20,149)	(13,57,398)	(3,279)	(—)	(13,60,677)	(59,472)	(62,751)
(b) Plant & Equipment	78,33,779	1,54,444	—	79,88,223	61,20,287	9,12,224	—	70,32,511	9,55,712	17,13,492
	(78,24,529)	(9,250)	(—)	(78,33,779)	(60,17,058)	(1,03,229)	(—)	(61,20,287)	(17,13,492)	(18,07,471)
(c) Furniture & Fixtures	6,31,513	—	—	6,31,513	6,02,169	—	—	6,02,169	29,344	29,344
	(6,31,513)	(—)	(—)	(6,31,513)	(5,95,684)	(6,485)	(—)	(6,02,169)	(29,344)	(35,829)
(d) Laboratory, Office and Factory Equipment & Air-conditioners	1,57,31,217	2,37,596	—	1,59,68,813	1,34,37,175	15,77,181	—	1,50,14,356	9,54,457	22,94,042
	(1,57,31,217)	(—)	(—)	(1,57,31,217)	(1,33,86,751)	(50,424)	(—)	(1,34,37,175)	(22,94,042)	(23,44,466)
Total Tangible Assets	53,87,25,899	3,24,69,833	35,35,079	56,76,60,653	38,53,81,151	4,31,11,771	3,52,002	42,81,40,920	13,95,19,726	15,33,44,748
	(52,99,73,744)	(1,09,45,363)	(21,93,214)	(53,87,25,899)	(37,12,55,812)	(1,58,85,968)	(17,60,628)	(38,53,81,151)	(15,33,44,748)	
Add: Share of Joint Venture – Note No. 36	2,87,10,953	83,78,558	7,33,292	3,63,56,219	1,36,55,092	25,09,533	4,11,845	1,57,52,779	2,06,03,440	1,50,55,861
	(2,43,41,588)	(43,69,365)	(—)	(2,87,10,953)	(1,24,11,059)	(12,44,033)	(—)	(1,36,55,092)	(1,50,55,861)	
	56,74,36,852	4,08,48,391	42,68,371	60,40,16,872	39,90,36,243	4,56,21,304	7,63,847	44,38,93,699	16,01,23,166	16,84,00,609
	(55,43,15,332)	(1,53,14,728)	(21,93,214)	(56,74,36,852)	(38,36,66,871)	(1,71,30,001)	(17,60,628)	(39,90,36,243)	(16,84,00,609)	
B. Intangible Assets										
Computer Software	9,26,620	—	—	9,26,620	8,17,038	61,372	—	8,78,410	48,210	1,09,582
Add: Share of Joint Venture – Note No. 36	—	—	—	—	—	—	—	—	—	—
	9,26,620	—	—	9,26,620	8,17,038	61,372	—	8,78,410	48,210	1,09,582
	(9,26,620)	(—)	(—)	(9,26,620)	(7,43,983)	(73,055)	(—)	(8,17,038)	(1,09,582)	
C. Capital Work-in-Progress :										
Add: Share of Joint Venture – Note No. 36	—	—	—	—	—	—	—	—	5,63,79,174	6,79,73,318
Total. Capital Work-in- Progress.....									5,63,79,174	6,79,73,318
D. Intangible Assets under development.....										
Add: Share of Joint Venture – Note No. 36	—	—	—	—	—	—	—	—	—	82,725
Total. Intangible Assets under development									—	82,725

Figures in the bracket relate to the previous year

Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
NOTE 12 : NON-CURRENT INVESTMENTS		
Investments (at cost, unless otherwise stated)		
(A) Other than trade, in equity instruments		
(a) Quoted:		
57,167 shares (Previous year: 57,167 shares) of ₹ 10 each fully paid up in Clariant Chemicals (India) Limited.....	13,62,502	13,62,502
8,100 shares (Previous year: 8,100 shares) of ₹ 10 each fully paid up in Bank of India	3,64,500	3,64,500
2,000 shares (Previous year: 2,000 shares) of ₹ 10 each in Bharat Seats Limited.....	2,000	2,000
(b) Unquoted:		
1,000 shares (Previous year: 1,000 shares) of ₹ 25 each fully paid up of The Shamrao Vithal Co-Operative Bank Limited	25,000	25,000
2,500 shares (Previous year: 2,500 shares) of ₹ 10 each fully paid up of The Saraswat Co-operative Bank Limited.....	25,000	25,000
4,000 shares (Previous year: 4,000 shares) of ₹ 25 each fully paid up of The Zoroastrian Co-operative Bank Limited.....	1,00,000	1,00,000
	18,79,002	18,79,002
(B) Other than trade, in debentures or preference shares or bonds		
(a) Quoted:		
10 units (Previous year: 10 units) of 11.40% Tata Power Perpetual Bonds of ₹ 10,00,000 each.....	1,05,25,000	1,05,25,000
2,472 units (Previous year: 2,472 units) of NHAI Bond (Tranche-I) of ₹ 1,000 each.....	24,72,000	24,72,000
(b) Unquoted:		
45,645 Preference shares (Previous year: 45,645 shares) of L & T Finance Holdings Limited	45,64,500	45,64,500
	1,75,61,500	1,75,61,500
(C) Other than trade, in mutual funds		
(a) Quoted:		
1,580 Grams (Previous year: 1,580 grams) in Benchmark MF Gold Bees	29,55,536	29,55,536
	29,55,536	29,55,536
Total Non-Current Investments	2,23,96,038	2,23,96,038
Share of Joint Venture – Refer Note 36	13,500	13,500
Grand Total	2,24,09,538	2,24,09,538
Notes		
(1) Aggregate cost of quoted investments	1,76,81,538	1,76,81,538
(2) Aggregate market value of listed and quoted investments	6,54,49,166	5,58,64,871
(3) Aggregate cost of unquoted investments (net of diminution in value written off)	47,28,000	47,28,000



Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
NOTE 13 : DEFERRED TAX ASSETS (NET)		
Deferred tax liability/(asset)		
Deferred tax liability		
On Tangible fixed assets	—	59,59,885
	—	59,59,885
Less: Deferred tax assets:		
On Employee benefits	72,74,759	53,80,711
On Provision for Doubtful Debts	6,13,962	5,05,395
On Commission	6,93,188	17,18,969
On Bonus.....	11,55,378	10,65,409
On difference in profit on sale of investment.....	—	9,83,749
On Tangible fixed assets	15,89,280	—
On others.....	5,62,656	5,57,082
	1,18,89,223	1,02,11,315
Net deferred tax liability/(asset)	(1,18,89,223)	(42,51,430)
Share of Joint Venture – Refer Note 36	(25,02,252)	(7,94,367)
Grand Total	(1,43,91,475)	(50,45,797)
NOTE 14 : LONG-TERM LOANS AND ADVANCES		
Unsecured considered good		
(a) Capital Advances	31,16,161	14,43,843
(b) Security deposits	1,61,82,053	1,61,27,553
(c) Loans and advances to employees.....	9,338	1,52,342
(d) Prepaid expenses.....	2,80,723	2,69,105
(e) VAT credit receivable.....	22,20,603	22,20,610
(f) Advance income tax (net)	3,09,28,437	3,30,32,616
Total	5,27,37,315	5,32,46,069
Share of Joint Venture – Refer Note 36	7,61,76,934	4,67,76,992
Grand Total	12,89,14,249	10,00,23,061

Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
NOTE 15 : CURRENT INVESTMENTS		
(A) Trade, in equity instruments (at cost)		
Unquoted		
Nil shares (Previous year: 9,87,500 shares) of ₹ 10 each fully paid up in Inogent Laboratories Private Limited*	—	1,51,92,307
* Re-classified from Non-current Investments, pursuant to Agreement		
(B) Other than trade (Valued at cost or market value whichever is less)		
Unquoted Mutual funds	39,23,36,223	26,76,35,218
Total	39,23,36,223	28,28,27,525
Share of Joint Venture – Refer Note 36	31,31,753	29,52,429
Grand Total	39,54,67,976	28,57,79,954
Notes		
(1) Aggregate cost of quoted investments	—	—
(2) Aggregate market value of listed and quoted investments	—	—
(3) Aggregate cost of unquoted investments.....	39,54,67,976	28,57,79,954
NOTE 16 : INVENTORIES		
At lower of cost and net realizable value		
(a) Raw Materials & Packing Materials.....	4,58,60,457	5,50,20,576
Goods-in-transit	43,41,146	—
	5,02,01,603	5,50,20,576
(b) Fuels	24,44,365	24,70,814
(c) Work-in-progress:		
Textile.....	9,07,935	9,09,642
Anionic/Cationic	3,83,300	3,03,160
Non Ionic	8,74,626	14,38,530
Miscellaneous.....	92,283	6,97,101
	22,58,144	33,48,433
(d) Semi Finished Goods	1,62,84,127	1,30,74,665
(e) Finished Goods.....	4,51,26,333	3,05,85,437
Total	11,63,14,572	10,44,99,925
Share of Joint Venture – Refer Note 36	4,85,21,308	3,38,33,250
Grand Total	16,48,35,880	13,83,33,175



Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
NOTE 17 : TRADE RECEIVABLES		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured – considered Good.....	6,24,348	4,62,072
– considered Doubtful	18,06,303	14,86,892
	24,30,651	19,48,964
Less: Provision for doubtful Trade receivables	18,06,303	14,86,892
	6,24,348	4,62,072
Other Trade receivables - Unsecured considered good.....	18,15,70,906	20,12,50,897
Total	18,21,95,254	20,17,12,969
Share of Joint Venture – Refer Note 36	19,33,74,540	9,96,02,538
Grand Total	37,55,69,794	30,13,15,507
NOTE 18 : CASH AND CASH EQUIVALENTS		
A. Cash and cash equivalents (as per AS 3 Cash Flow Statements)		
(a) Cash on hand.....	65,595	16,117
(b) Balances with banks		
(i) In current accounts.....	1,79,07,704	65,97,158
(ii) In EEFC accounts	94,63,462	3,04,78,023
(iii) In other deposit accounts		
— Original maturity of 3 months or less	2,01,75,000	1,75,000
Share of Joint Venture – Refer Note 36	2,50,02,265	96,53,682
Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements) (A)	7,26,14,026	4,69,19,980

Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
B. Other bank balances (Refer Note (i) below)		
(i) In other deposit accounts		
— Original maturity of more than 3 months*	1,00,00,000	1,00,00,000
* Includes ₹ 1,00,00,000 (Previous year: ₹ Nil) with a maturity of more than 12 months as at the Balance Sheet date		
(ii) In earmarked accounts		
— Unpaid dividend accounts.....	17,30,647	14,70,443
— Balances held as margin money against guarantees and other commitments	89,15,888	75,05,640
Share of Joint Venture – Refer Note 36.....	2,12,57,502	84,57,909
Total - Other bank balances (B)	4,19,04,037	2,74,33,992
Total Cash and cash equivalents (A+B)	11,45,18,063	7,43,53,972
Notes:		
(i) Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date.....	1,00,00,000	—
NOTE 19 : SHORT-TERM LOANS AND ADVANCES (UNSECURED CONSIDERED GOOD)		
(a) Loans and advances to employees.....	1,65,079	4,65,009
(b) Prepaid expenses.....	27,22,926	24,93,357
(c) Balances with government authorities		
i) Cenvat credit receivable	63,17,513	71,78,713
ii) Service Tax credit receivable.....	26,95,506	35,63,408
iii) Duty drawback receivable.....	21,71,089	34,19,911
(d) Advances to Suppliers	1,52,62,227	92,39,482
Total	2,93,34,340	2,63,59,880
Share of Joint Venture – Refer Note 36.....	24,70,883	23,26,547
Grand Total	3,18,05,223	2,86,86,427
NOTE 20 : OTHER CURRENT ASSETS		
(a) Interest accrued on bank deposits.....	88,480	6,52,035
(b) Interest accrued on other deposits.....	7,58,277	7,49,225
Total	8,46,757	14,01,260
Share of Joint Venture – Refer Note 36.....	6,43,419	2,83,976
Grand Total	14,90,176	16,85,236



Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	For the year ended 31st March, 2015 ₹	For the year ended 31st March, 2014 ₹
NOTE 21 : REVENUE FROM OPERATIONS		
(a) Sale of products (Gross) (Refer Note (i) below).....	1,10,83,75,751	1,16,79,33,268
(b) Sale of services	12,82,322	1,62,964
(c) Other operating revenues (Refer Note (ii) below)	69,69,873	71,21,751
	1,11,66,27,946	1,17,52,17,983
(d) Add: Share of Joint Venture – Refer Note 36.....	79,50,64,776	40,58,91,143
	1,91,16,92,722	1,58,11,09,126
(e) Less: Excise duty on revenue from operations	10,16,87,109	10,73,39,650
Grand Total	1,81,00,05,613	1,47,37,69,476
Notes:		
(i) Sale of products comprises:		
<u>Manufactured goods</u>		
Anionic/Cationic	17,86,30,257	15,62,07,869
Non Ionic	22,59,44,293	29,16,62,458
Textile	10,75,45,233	12,26,56,097
Oil Field	27,34,65,969	26,97,74,224
Flocculants.....	7,48,58,125	10,31,75,416
Others	24,79,31,874	22,21,48,454
Total – Sale of manufactured goods	1,10,83,75,751	1,16,56,24,518
<u>Traded goods</u>		
Others	—	23,08,750
Total - Sale of traded goods	—	23,08,750
Total - Sale of products	1,10,83,75,751	1,16,79,33,268
(ii) Other operating revenues comprise:		
Duty drawback.....	41,41,348	41,13,649
Commission	42,145	95,376
Scrap sale.....	27,86,380	29,12,726
Total – Other operating revenues	69,69,873	71,21,751

Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	For the year ended 31st March, 2015 ₹	For the year ended 31st March, 2014 ₹
NOTE 22 : OTHER INCOME		
(a) Interest income (Refer Note (i) below)	85,25,771	41,28,592
(b) Dividend income:		
from current investments	70,79,099	45,72,192
from long-term investments.....	1,17,94,727	21,12,999
(c) Net gain on sale of investments		
Current Investments	1,28,29,394	98,65,315
(d) Other non operating income		
Rental income from operating lease	1,44,79,920	1,40,89,530
Profit on sale of fixed assets (Refer note 30.3)	1,55,94,171	1,22,969
Bad debts recovered.....	—	1,63,491
Sundry balances written back	2,57,756	78,893
Miscellaneous receipts	1,69,258	1,89,343
Total	7,07,30,096	3,53,23,324
Share of Joint Venture – Refer Note 36	15,78,701	14,92,577
Grand Total	7,23,08,797	3,68,15,901
Note:		
(i) Interest income comprises:		
Interest from banks on deposits	18,04,019	20,05,353
Interest from banks on other balances	595	838
Interest on loans and advances	5,498	2,43,273
Interest income from long term investments	13,42,704	13,42,705
Others	53,72,955	5,36,423
Total	85,25,771	41,28,592



Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	For the year ended 31st March, 2015 ₹	For the year ended 31st March, 2014 ₹
NOTE 23 : COST OF MATERIALS CONSUMED		
Raw Materials consumed comprise:		
Ethylene Oxide	19,26,28,441	17,74,65,346
Fatty Alcohol, Phenol & Glycol.....	16,96,80,408	15,60,45,257
Oils & Fatty Acids	3,25,83,313	6,39,52,155
Acrylamide	2,73,67,635	3,18,90,711
Amines	3,40,19,709	4,30,54,091
Other items	23,29,80,188	26,50,26,055
Total	68,92,59,694	73,74,33,615
Share of Joint Venture – Refer Note 36	47,31,58,493	23,84,12,016
Grand Total	1,16,24,18,187	97,58,45,631
NOTE 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS		
<u>Inventories at the end of the year</u>		
Finished goods	4,51,26,333	3,05,85,437
Semi Finished Goods.....	1,62,84,127	1,30,74,665
Work-in-progress		
Textile	9,07,935	9,09,642
Anionic/Cationic	3,83,300	3,03,160
Non Ionic	8,74,626	14,38,530
Miscellaneous	92,283	6,97,101
	6,36,68,604	4,70,08,535
<u>Inventories at the beginning of the year</u>		
Finished goods	3,05,85,437	4,07,92,852
Semi Finished Goods.....	1,30,74,665	1,78,74,764
Work-in-progress		
Textile	9,09,642	—
Anionic/Cationic	3,03,160	6,28,094
Non Ionic	14,38,530	6,95,860
Sizing	6,97,101	—
	4,70,08,535	5,99,91,570
Net (increase)/decrease	(1,66,60,069)	1,29,83,035
Share of Joint Venture – Refer Note 36	(61,32,634)	(35,49,054)
Grand Total	(2,27,92,703)	94,33,981
NOTE 25 : EMPLOYEE BENEFITS EXPENSES		
Salaries and wages	10,07,55,031	9,18,28,461
Contributions to provident and other funds	1,06,03,441	61,37,444
Staff welfare expenses.....	80,46,687	77,38,945
Total	11,94,05,159	10,57,04,850
Share of Joint Venture – Refer Note 36	3,37,80,061	1,82,76,356
Grand Total	15,31,85,220	12,39,81,206

Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	For the year ended 31st March, 2015 ₹	For the year ended 31st March, 2014 ₹
NOTE 26 : FINANCE COSTS		
Interest on Term Loans *	2,32,173	3,71,607
Interest - Others.....	6,93,620	6,00,117
Total	9,25,793	9,71,724
Share of Joint Venture – Refer Note 36	8,03,979	7,04,319
Grand Total	17,29,772	16,76,043
* No borrowing cost capitalised since there are no qualifying assets.		
NOTE 27 : OTHER EXPENSES		
Consumption of stores and spare parts	77,82,465	39,26,240
Excise duty *	1,14,867	(12,39,397)
Power and fuel	4,48,00,087	4,80,29,093
Rent	26,29,774	25,60,203
Repairs and maintenance:		
Buildings.....	12,75,237	14,09,206
Machinery.....	45,03,983	44,28,711
Others	40,25,945	45,31,876
Insurance.....	16,02,584	11,88,046
Rates and taxes.....	26,42,249	34,70,142
Freight Expenses.....	2,07,53,115	2,07,55,992
Commission on sales	1,87,75,090	1,67,19,349
Donations	2,00,000	15,00,000
Expenditure on Corporate Social Responsibility - Donation.....	11,63,000	—
Bank Charges.....	26,87,236	37,14,668
Telephone, telex and telegrams	20,28,938	17,64,246
Vehicle Expenses	11,38,379	13,07,551
Legal and professional	76,73,332	1,04,21,338
Travelling Expenses	29,10,339	28,67,015
Directors Siting Fees	10,17,500	3,60,000
Net loss/(gain) on foreign currency transactions and translations.....	(35,10,403)	1,34,985
Payments to auditors (Refer note (i) below)	28,05,638	25,08,008
Provision for doubtful trade and other receivables, loans and advances (net)	3,19,411	24,915
Excess of cost over fair value of current investment	16,399	—
Miscellaneous expenses	1,88,98,370	1,97,21,728
Total	14,62,53,535	15,01,03,915
Share of Joint Venture – Refer Note 36	14,64,64,543	8,86,32,863
Grand Total	29,27,18,078	23,87,36,778
* represents excise duty on difference between closing and opening stock		
Note (i)		
Payments to the auditors comprises (net of service tax input credit, where applicable):		
For Audit fees	13,50,618	11,05,000
For Tax audit.....	—	3,00,000
For Limited review/Consolidation.....	11,25,000	10,00,000
For Certification	—	1,00,000
For Out of pocket expenses.....	2,520	3,008
For Other services	3,27,500	—
Total	28,05,638	25,08,008



Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	For the year ended 31st March, 2015 ₹	For the year ended 31st March, 2014 ₹
NOTE 28 : TAX EXPENSE/(BENEFIT)		
(a) Current Tax		
for the year	4,99,01,690	3,25,00,700
for earlier year	(164)	—
Total	4,99,01,526	3,25,00,700
Share of Joint Venture – Refer Note 36	5,05,00,000	2,10,00,000
Grand Total	10,04,01,526	5,35,00,700
(b) Deferred Tax		
for the year	(76,37,794)	(38,98,330)
Total	(76,37,794)	(38,98,330)
Share of Joint Venture – Refer Note 36	(17,07,885)	(14,98,469)
Grand Total	(93,45,679)	(53,96,799)
	9,10,55,847	4,81,03,901
NOTE 29 : DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation and amortisation for the year on tangible assets as per Note 12 A	4,31,11,771	1,58,85,969
Amortisation for the year on intangible assets as per Note 12 B	61,372	73,055
Less: Utilised from revaluation reserve	—	2,80,840
	4,31,73,143	1,56,78,184
on intangible assets	—	—
Total	4,31,73,143	1,56,78,184
Share of Joint Venture – Refer Note 36	25,09,533	12,44,033
Grand Total	4,56,82,676	1,69,22,217

NOTE 30 : ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS

30.1 Contingent liabilities and commitments (to the extent not provided for)

	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
(i) Contingent liabilities		
Claims against the Group not acknowledged as debt		
(a) Pending litigations :		
1. Octroi (wrong classification of raw materials)*	2,43,07,427	2,43,07,427
2. Disputed income tax liability	3,19,58,492	3,19,58,492
* Includes ₹ 1,41,97,321 (Previous year: ₹ 1,41,97,321) for which bank guarantee has been given and shown under 30.1 (i) (c).		
(b) Others		
1. Labour matters (back wages and compensation under Workmen Compensation Act)	18,52,485	13,23,007
2. Disputed income tax liability	1,08,44,540	1,15,86,506
3. Disputed Sales Tax liability	78,98,343	77,33,073
4. Service Tax (Dispute on mode of payment)	1,21,15,982	1,10,89,554

Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
(c) Guarantees issued to others by Bank secured by counter guarantee of the company and by charge on the fixed assets, inventories and book debts of the company	1,41,97,321	1,41,97,321
(d) Customs duty bonds**	3,11,95,150	5,91,54,165
** Includes ₹ 7,563,537 (Previous year: ₹ 33,542,831) of Bonds, issued jointly in name of the Company and Champion Dai-ichi Technologies India Ltd. (Jointly controlled entity)		
(e) Share of Group in contingent liabilities of joint venture	4,20,06,400	—
(f) The wage agreement with employees at Kasarwadi Plant had expired on 30 th November, 2008. Negotiations with employees are in progress. Pending finalisation of an agreement, the Company has made an accrual of ₹ 8,346,104 based on its estimate of likely settlement with the employees. The Company does not expect any further significant additional liability on this account. Future outflow in respect of above matters are determinable only on receipt of judgement/decisions pending at various forums/authorities		
	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for - Tangible assets.....	23,62,788	1,35,44,781
(b) Share of Group in commitments of a joint venture	7,40,296	22,55,899

30.2 Details on derivative instruments and unhedged foreign currency exposures

- I. There are no outstanding forward exchange contracts as on 31 March, 2015 (Previous year: Nil)
- II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

As at 31 March, 2015		As at 31 March, 2014	
Receivable/(Payable)	Receivable/(Payable) in Foreign currency	Receivable/(Payable)	Receivable/(Payable) in Foreign currency
₹	(USD)	₹	(USD)
4,81,76,526	7,77,859	2,99,99,030	5,05,886
(6,84,75,091)	(10,92,217)	(3,34,50,158)	(5,56,119)

30.3 Other Income includes ₹ 1,55,94,171 being profit on compulsory acquisition of parcel of land at Kasarwadi by Government of Maharashtra.

30.4 During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the group revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. The details of previously applied depreciation rates / useful life are as follows:

(a) For Holding Company

Sr. No.	Asset	Previous depreciation method		Previous depreciation rate		Revised useful life based on wdv	Revised useful life based on SLM
		HO & Kasarwadi	Others	HO & Kasarwadi	Others	HO & Kasarwadi	Others
1	Factory Buildings	WDV	SLM	10% / ~ 28 years	3.34% / ~ 28 years	30 years	30 years
2	Residential Building	WDV	SLM	5% / ~ 60 years	—	60 years	—
3	Computers and Data Processing Equipment	WDV	SLM	40% / ~ 6 years	16.21% / ~ 6 years	3 years	3 years
4	Plant and Equipment	WDV	SLM	27.82% / ~ 20 years	4.75% / ~ 20 years	20 years	20 years
5	Furniture and Fixtures	WDV	SLM	18.1% / ~ 15 years	6.33% / ~ 15 years	10 years	10 years
6	Lab Equipment	WDV	SLM	13.91% / ~ 20 years	4.75% / ~ 20 years	10 years	10 years
7	Vehicles	WDV	SLM	25.89% / ~ 10 years	9.5% / ~ 10 years	8 years	8 years



Notes forming part of Consolidated Financial Statements (Contd.)

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has recognised an amount of ₹ 90,97,488 in depreciation expense in the Statement of Profit and Loss.

The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 2,37,79,725 consequent to the change in the useful life of the assets.

(b) For Jointly controlled entity

Sr. No.	Asset	Previous depreciation method	Previous depreciation rate	Revised useful life based on SLM
1	Factory Buildings	SLM	3.34% / ~ 30 years	30 years
2	Computers and Data Processing Equipment	SLM	16.21% / ~ 6 years	3 years
3	Plant and Equipment	SLM	7.42% / ~ 20 years	15/20 years
4	Furniture and Fixtures	SLM	6.33% / ~ 15 years	10 years
5	Vehicles	SLM	9.5% / ~ 10 years	8 years

Pursuant to the transition provision prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of asset net of residual value where the remaining useful life of asset was determined to be nil as on April 1, 2014 and has recognised an amount of ₹ 5,44,260 as depreciation expense in the statement of Profit and Loss for the year ended March 31, 2015.

The Depreciation Expense in the statement of Profit and Loss account for the year is higher by ₹ 17,34,449 consequent to the change in useful life of the assets.

- 30.5** During the year the Company sold its remaining holdings in Inogent Laboratories Pvt. Ltd at a consideration of ₹ 8,97,15,130 resulting in a profit of ₹ 7,45,22,823 which is disclosed as an exceptional item in the Statement of Profit and Loss.

NOTE 31 : DISCLOSURES UNDER ACCOUNTING STANDARDS

31.1 Employee Benefits:

A. Defined Contribution Plans

The Group provides Provident Fund and Employee State Insurance Scheme Fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised ₹ 70,23,513 (Previous year: ₹ 59,89,190) for Provident Fund contributions, ₹ 4,25,739 (Previous year: ₹ 5,81,025) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

B. Defined Benefit Plans

The Defined Benefit Plans comprise of Gratuity. Gratuity is a benefit to an employee based on 15 days of last drawn salary for each completed year of service.

Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014
	Gratuity	Gratuity
	₹	₹
I. Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year.....	4,66,92,991	4,63,91,355
Current service cost.....	13,04,998	13,28,715
Interest cost.....	31,73,521	27,16,822
Actuarial (gains)/losses.....	40,65,009	(5,69,905)
Past service cost	—	—
Benefits paid.....	(75,67,658)	(31,73,996)
Present value of DBO at the end of the year	4,76,68,861	4,66,92,991

Notes forming part of Consolidated Financial Statements (Contd.)

Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014
	Gratuity	Gratuity
	₹	₹
II. Change in fair value of assets during the year		
Plan assets at beginning of the year	4,14,38,420	3,95,16,140
Expected return on plan assets.....	36,05,143	34,37,904
Actual company contributions.....	7,78,994	17,43,207
Actuarial gain/(loss)	(1,94,220)	(84,835)
Benefits paid.....	(75,67,658)	(31,73,996)
Plan assets at the end of the year.....	3,80,60,679	4,14,38,420
III. Analysis of Defined Benefit Obligation:		
Defined Benefit Obligation as at 31st March	4,76,68,861	4,66,92,991
Fair value of plan assets at the end of the year.....	3,80,60,679	4,14,38,420
Net asset/(liability) recognised in the Balance Sheet	(96,08,182)	(52,54,571)
IV. Net asset/(liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	4,76,68,861	46,69,28,991
Fair value of plan assets	3,80,60,679	4,14,38,420
Funded status [Surplus/(Deficit)]	(96,08,182)	(52,24,571)
Unrecognised past service costs	—	—
Net asset/(liability) recognised in the Balance Sheet	(96,08,182)	(52,24,571)
V. Change in defined benefit obligations (DBO) during the year		
Current service cost.....	13,04,998	13,28,715
Interest cost.....	31,73,521	27,16,822
Expected return on plan assets.....	(36,05,143)	(34,37,904)
Actuarial losses/(gains).....	(7,72,113)	(4,85,070)
Total expense recognised in the Statement of Profit and Loss	1,01,263	1,22,563
VI. Actuarial assumptions		
Discount rate	7.95%	9.03%
Expected return on plan assets.....	7.95%	8.70%
Salary escalation	6.00%	5.00%
Attrition.....	2.00%	2.00%
Mortality		
Medical cost inflation.....	NA	NA
Withdrawal rate	2%	2%
Estimate of amount of contribution in the immediate next year.....	20,00,000	20,00,000

VII. Experience adjustments	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012	31st March, 2011
Gratuity	₹	₹	₹	₹	₹
Experience gain/(loss) adjustments on plan liabilities	40,65,009	(5,69,905)	37,49,709	(1,09,582)	18,80,595
Experience gain/(loss) adjustments on plan assets..	(1,94,220)	(84,835)	33,276	3,00,815	2,77,724
Defined Benefit Obligation at the end of the period....	4,76,68,861	4,66,92,991	4,63,91,355	4,33,42,593	4,38,20,292
Plan Assets at the end of the period.....	3,80,60,679	4,14,38,420	3,95,16,140	3,84,45,154	3,80,10,966
Funded status [Surplus/(Deficit)]	(96,08,182)	(52,54,571)	(68,75,215)	(47,29,839)	(47,78,080)
(a) The Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated terms of the obligations.					
(b) Expected Rate of Return of Plan Assets : This is based on the expectation of the average long term rate of return expected on investments of the Fund during the estimated term of obligations.					
(c) Salary Escalation Rate : The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.					



Notes forming part of Consolidated Financial Statements (Contd.)

NOTE 32 : DISCLOSURES UNDER ACCOUNTING STANDARDS

- (i) The group operates exclusively in the Speciality Chemicals business segment which is the only reportable business segment.
- (ii) The geographical segments individually contributing 10 percent or more of the group's revenues and segment assets are shown separately:

Geographical Segment	Revenues for the year ended 31 March, 2015	Segment assets as at 31 March, 2015	Capital expenditure incurred during the year ended 31 March, 2015
	₹	₹	₹
Outside India	23,61,71,591	4,81,76,526	Nil
	(25,14,06,686)	(2,99,99,030)	(Nil)
Within India	95,56,70,584	1,03,09,34,821	3,26,33,852
	(96,24,93,871)	(95,11,58,700)	(1,09,45,363)

Note: Figures in bracket relate to the previous year

NOTE 33 : DISCLOSURES UNDER ACCOUNTING STANDARDS

33.1 Related party transactions

Details of related parties:

Description of relationship	Names of related parties
(i) Jointly controlled entity (JCE) (Refer Note 36 (i))	Champion Dai-ichi Technologies India Limited (CDTIL)
(ii) Other Venturer	CTI Chemicals Asia Pacific Pte. Ltd. (CTI)
(iii) Key Management Personnel (KMP)	Mrs. S. F. Vakil - Managing Director (SFV)
(iv) Relatives of KMP	i) Mr. D. M. Neterwala -Father of Managing Director (DMN-Since deceased)
	ii) Ms. Meher F. Vakil -Daughter of Managing Director (MFV)
	iii) Mrs. P. R. Mehta -Sister of Managing Director (PRM)
(v) Entities in which KMP/Relatives of KMP can exercise significant influence	i) Indian Oxides & Chemicals Limited (IOCL)
	ii) Rose Investments Limited (RIL),
	iii) Inogen Laboratories Private Limited (ILPL)
	iv) SDN Company (SDNC),
	v) Uni Klinger Limited (UKL),
	vi) Anosh Finance & Investment Pvt. Ltd. (AFIPL),
	vii) Universal Ferro & Allied Chemicals Limited (UFACL)
	viii) General Pharmaceuticals Pvt. Ltd. (GPPL)
	ix) Netal India Limited (NIL)
	x) Neterwala Consulting & Corporate Services Limited (NCCS)
	xi) Chemicals and Ferro Alloys Private Limited (CFAPL)

Notes forming part of Consolidated Financial Statements (Contd.)

33.2 Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015 :

(₹)

Particulars	Subsidiaries (DGCIL)	JCE (CDTIL)	Other venturer (CTI)	KMP (SFV)	Relatives of KMP	Entities in which KMP/ relatives of KMP can exercise significant influence	Total
	₹	₹	₹	₹	₹	₹	₹
Purchase of goods:		26,967	11,31,85,697				11,32,12,664
		(Nil)	(7,01,17,246)				(7,01,17,246)
IOCL						1,91,626	1,91,626
						(18,32,135)	(18,32,135)
GPPL						35,68,061	35,68,061
						(5,52,301)	(5,52,301)
UKL						91,847	91,847
						(10,70,956)	(10,70,956)
NIL						27,904	27,904
						(Nil)	(Nil)
Purchase of Services			3,45,029				3,45,029
			(29,89,380)				(29,89,380)
Sale of goods:		6,13,88,648					6,13,88,648
		(5,83,86,895)					(5,83,86,895)
IOCL						47,17,173	47,17,173
						(78,28,784)	(78,28,784)
GPPL						34,85,619	34,85,619
						(23,93,277)	(23,93,277)
Purchase of fixed assets		1,84,522					1,84,522
		(Nil)					(Nil)
Sale of fixed assets		Nil					Nil
		(Nil)					(Nil)
Rendering of services/ Reimbursement of expenses:	Nil	4,96,781					4,96,781
	(1,100)	(2,91,610)					(2,92,710)
SDNC						4,72,310	4,72,310
						(3,79,879)	(3,79,879)
ILPL						6,335	6,335
						(25,039)	(25,039)
SFV				—			—
				(12,647)			(12,647)
SDNC						20,000	20,000
						(Nil)	(Nil)
UFACL						57,401	57,401
						(54,605)	(54,605)
NCCSL						21,264	21,264
						(Nil)	(Nil)
AFIPL						34,340	34,340
						(Nil)	(Nil)
NIL						Nil	Nil
						(21,914)	(21,914)
DMN					Nil		Nil
					(1,56,443)		(1,56,443)



Notes forming part of Consolidated Financial Statements (Contd.)

(₹)

Particulars	Subsidiaries (DGCIL)	JCE (CDTIL)	Other venturer (CTI)	KMP (SFV)	Relatives of KMP	Entities in which KMP/ relatives of KMP can exercise significant influence	Total
	₹	₹	₹	₹	₹	₹	₹
Compensation/others:				26,00,029			26,00,029
				(20,99,080)			(20,99,080)
DMN					Nil		Nil
					(4,18,476)		(4,18,476)
Remuneration.....				93,14,950			93,14,950
				(78,62,541)			(78,62,541)
Interest received - IOCL.....						Nil	Nil
						(2,33,972)	(2,33,972)
Dividend received	22,50,000						22,50,000
	(16,87,500)						(16,87,500)
Dividend paid:			22,50,000	37,26,576			59,76,576
			(16,87,500)	(32,09,075)			(48,96,575)
DMN					4,16,251		4,16,251
					(4,16,250)		(4,16,250)
FAV					1,97,523		1,97,523
					(1,99,145)		(1,99,145)
PRM					42,18,750		42,18,750
					(42,18,750)		(42,18,750)
RIL						6,57,000	6,57,000
						(6,57,000)	(6,57,000)
GPPL						1,460	1,460
						(1,460)	(1,460)
CFAPL.....						6,42,500	6,42,500
						(6,42,500)	(6,42,500)
Consultancy Fees - MFV.....					7,49,493		7,49,493
					(7,39,102)		(7,39,102)
Investments	2,00,000	33,75,000					35,75,000
	(2,00,000)	(33,75,000)					(35,75,000)
ILPL.....						Nil	Nil
						(1,51,92,307)	(1,51,92,307)
Trade receivables:	1,31,11,039						1,31,11,039
	(1,36,68,097)						(1,36,68,097)
IOCL						3,73,121	3,73,121
						(38,61,186)	(38,61,186)
GPPL.....						44,713	44,713
						(7,16,027)	(7,16,027)
UFACO						2,48,812	2,48,812
						(Nil)	(Nil)
Deposits - DMN					32,00,000		32,00,000
					(32,00,000)		(32,00,000)
Trade payables.....			3,52,96,752				3,52,96,752
			(2,38,35,772)				(2,38,35,772)
UKL.....						Nil	Nil
						(2,813)	(2,813)

Note: Figures in bracket relate to previous year.

Notes forming part of Consolidated Financial Statements (Contd.)

NOTE 34 : DISCLOSURES UNDER ACCOUNTING STANDARDS

Particulars	For the year ended 31 st March, 2015 ₹	For the year ended 31 st March, 2014 ₹
34.1 Details of leasing arrangements		
<u>As Lessor</u>		
34.1.a The Group has entered into operating lease arrangements for commercial premises at Worli.		
Depreciation recognised on the leased assets.....	31,40,242	9,96,335
Accumulated depreciation on the leased assets	1,32,94,343	1,01,54,101
<u>As Lessee</u>		
34.1.b The Group has entered into operating lease arrangement for office premises. The leases are not non-cancellable.		
Future minimum lease payments		
not later than one year.....	24,35,216	—
later than one year and not later than five years	—	—
later than five years	—	—
Lease payments recognised in the Statement of Profit and Loss	62,35,223	25,17,556

	For the year ended 31 st March, 2015 ₹	For the year ended 31 st March, 2014 ₹
34.2 Earnings per share		
<u>Basic & Diluted</u>		
Profit for the year (₹)	23,28,40,038	15,60,41,899
Weighted average number of equity shares	74,51,229	74,51,229
Par value per share (₹)	10	10
Earnings per share - Basic and Diluted (₹)	31.25	20.94

Note 35 : Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity in the	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
		₹		₹
Parent				
Dai-ichi Karkaria Ltd.	83.98%	90,94,86,143	61.83%	14,39,70,788
Subsidiary				
Dai-ichi Gosei Chemicals (India) Ltd.	0.02%	2,30,751	0.00%	3,823
Minority Interests in all subsidiaries	0.00%	7,138	0.00%	118
Joint Ventures (as per proportionate consolidation)				
Champion Dai-ichi Technologies India Ltd.	16.00%	17,32,89,522	38.17%	8,88,65,428



Notes forming part of Consolidated Financial Statements (Contd.)

NOTE 36 : DISCLOSURES UNDER ACCOUNTING STANDARDS

The Group has interest in the following Jointly controlled entity (JCE)

Name of joint venture & Country of incorporation	% of interest / Ownership	Amount of interest based on accounts for the year ended 31 March, 2015	
		Contingent liabilities	Capital Commitments
Champion Dai-ichi Technologies India Limited - India (Audited)	50 (50)	4,20,06,400 (—)	740,296 (22,55,899)

Note: Figures in brackets relate to the previous year.

NOTE 37 : DISCLOSURES UNDER ACCOUNTING STANDARDS

Details of provisions

The jointly controlled entity has made provision for various contractual obligations based on its assessment of the amount it estimates in respect of product performance deficiency to incur to meet such obligations. The Company's share in respect of the same is given below:

Particulars	As at 1 April, 2014	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at 31 March, 2015
	₹	₹	₹	₹	₹
Compensation for deficiency in performance	—	20,06,978	—	—	20,06,978
Previous year	—	—	—	—	—

Of the above, the following amounts are expected to be incurred within a year:

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
Compensation for deficiency in performance	20,06,978	—

NOTE 38 : PREVIOUS YEAR'S FIGURES

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

S. F. Vakil

Chairperson and Managing Director

Kavas Patel

Director

Adi Jehangir

Director

Keki Elavia

Director

Anil Naik

Director

Nitin Nimkar

Financial Comptroller

Kavita Thadeshwar

Company Secretary

Place : Mumbai

Date : 5th May, 2015

Form AOC-1

Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014

Part "A" – Subsidiaries

	(₹)
1. Sl. No.	1
2. Name of the subsidiary	Dai-ichi Gosei Chemicals (India) Limited
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
4. Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA
5. Share Capital	5,00,000
6. Reserve & Surplus	(2,62,112)
7. Total Assets	2,44,059
8. Total Liabilities	2,44,059
9. Investments	Nil
10. Turnover	15,867
11. Profit before taxation	5,467
12. Provision for taxation	1,690
13. Profit after taxation	3,941
14. Proposed dividend	Nil
15. % of Shareholding	97%
1. Names of subsidiaries which is yet to commence operations	Nil
2. Names of subsidiaries which have been liquidated or sold during the years	Nil

Statement pursuant to Section 129(3) of Companies Act, 2013 related to Associate Companies and Joint Ventures

Part "B" – Joint Ventures

	(₹)
Name of Joint Venture	Champion Dai-ichi Technologies India Limited
1. Latest audited Balance Sheet date	31/3/2015
2. Shares of Joint Venture held by the Company on the year end:	
Nos. of Shares	11,25,000
Amount of investment in Joint Venture	67,50,000
% of holding	50%
3. Description of how there is significant influence	50% holding in JV
4. Reason why the Joint venture is not consolidated	NA
5. Net worth attributable to shareholding as per latest audited balance sheet	13,09,54,631
6. Profit for the year:	
1. Considered in consolidation	8,88,65,427
2. Not considered in consolidation	8,88,65,427
1. Names of Associates or Joint Venture which is yet to commence operations	Nil
2. Names of Associates or Joint Venture which have been liquidated or sold during the years	Nil

For and on behalf of the Board of Directors

S. F. Vakil	Chairperson and Managing Director
Kavas Patel	Director
Keki Elavia	Director
Adi Jehangir	Director
Anil Naik	Director
Nitin Nimkar	Financial Comptroller
Kavita Thadeshwar	Company Secretary

Place : Mumbai
Date : 5th May, 2015



DAI-ICHI KARKARIA LIMITED

CIN: L24100MH1960PLC011681

Registered Office: Liberty Building, Sir Vithaldas Thackersey Marg, Marine Lines, Mumbai - 400 020.

E-mail: investor@dai-ichiindia.com • Tel.: 2201 7130/2201 5895 • Fax: 022-2209 6976

PROXY FORM

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

55th ANNUAL GENERAL MEETING ON JULY 31, 2015

Name of Member (s)		E-mail Id	
Registered Address		Folio No./ *Client Id *DP Id	

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

- (1) Name:
Address:
..... E-mail Id: or failing him
- (2) Name:
Address:
..... E-mail Id: or failing him
- (3) Name:
Address:
..... E-mail Id:

as my/our proxy to attend and vote for me/us and on my/our behalf at the 55th Annual General Meeting of the Company, to be held on Friday, July 31, 2015, at 12.00 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20 Kaikhushru Dubash Marg, Mumbai – 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	For	Against
1	Receive, Consider and Adopt: (a) Audited Financial Statements and Reports thereon for the financial year ended March 31, 2015. (b) Audited Consolidated Financial Statements and Auditors report for the financial year ended March 31, 2015.		
2	Declaration of dividend for the year ended 31 st March, 2015.		
3	Re-appointment of Mr. A. H. Jehangir (DIN: 00001752), who retires by rotation.		
4	Ratification of Appointment of Messrs. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firms' Registration No. 117366W/ W-100018) as Statutory Auditors of the Company and to fix their remuneration.		
5	Appointment of Ms. Meher Vakil, relative of Mrs. S. F. Vakil, Chairperson & Managing Director, to hold office or place of profit as Chief Operating Officer (COO).		
6	Ratification of remuneration payable to Mr. Sudhir Govind Jog, Cost Accountant (Membership No. 5599), as Cost Auditor of the Company.		

Signed this day of 2015

Signature of shareholder Signature of Proxy holder(s)

Affix
Revenue
Stamp of
Re 1/-

*Applicable for investors holding shares in electronic form.

NOTES:

- The proxy in order to be effective should be duly filled up, stamped, signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A proxy need not be a member of the Company.
- A person can act a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

SPEED POST

If undelivered please return to:
DAI-ICHI KARKARIA LIMITED
Liberty Building,
Sir Vithaldas Thackersey Marg,
Mumbai - 400 020.