



*Striding Towards a New Future*

**76th Annual Report  
2014-2015**

# Corporate Directory



## BOARD OF DIRECTORS

Dr. Shashi Chand Jain  
Chairman Emeritus

Shri. Pramod Kumar Jain  
Chairman and Managing Director

Shri. Bakul Jain  
Managing Director

Shri. Vivek Jain  
Managing Director

Shri Mudit Jain  
Managing Director

Shri Sodhsal Sing Dev of Dhrangadhra  
Ms. Sujata Rangnekar  
Shri D. Ganapathy  
Shri Salil Kapoor

## BANKERS

Punjab National Bank

State Bank of India

City Union Bank Ltd.

Kotak Mahindra Bank Ltd.

## AUDITORS

V. Sankar Aiyar & Co.,  
Chartered Accountants, Mumbai.

## REGISTERED OFFICE

Dhrangadhra – 363 315, Gujarat.

## HEAD OFFICE

“Nirmal” 3<sup>rd</sup> Floor,  
Nariman Point,  
Mumbai – 400 021.

## BRANCH OFFICE

Indra Palace, 1<sup>st</sup> Floor,  
H-Block, Connaught Circus,  
New Delhi - 110 001.

## WORKS

**Soda Ash Division** : Dhrangadhra – 363 315,  
Gujarat.

**Caustic Soda Division** : Arumuganeri P.O.,  
Sahupuram – 628 202,  
Tamil Nadu.

**PVC Division** : Arumuganeri P.O.,  
Sahupuram – 628 202,  
Tamil Nadu.

**Salt Works** : Kuda, Gujarat.  
: Arumuganeri P.O.,  
Sahupuram – 628 202,  
Tamil Nadu.

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76<sup>th</sup>

**Annual Report**  
**2014 – 2015**

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**Note :** The Balance Sheet, Profit and Loss Account and Key Financial Data are also presented in US \$ on Page Numbers 39,40 & 41 respectively.



## Directors' Report

### TO THE MEMBERS

Your Directors present their 76th Annual Report and Audited Accounts for the Financial Year ended 31st March, 2015 -

#### 1. Financial Results

	31-03-2015 (Rs. in lacs)	31-3-2014 (Rs. in lacs)
Net Sales	125446.82	132555.21
Gross Profit	4723.64	10321.29
Less : Provisions		
Depreciation	5200.17	5101.92
Profit Before Tax/(Loss)	<b>(476.54)</b>	<b>5219.37</b>
Tax: Current Period	-	1107.81
Previous Period	26.09	(86.63)
MAT Credit available for set off / Utilized	211.73	(84.59)
	<b>(237.82)</b>	<b>936.59</b>
Profit/(Loss)After Current Tax & Tax Adjustments	(714.36)	4282.78
Deferred Tax	(122.19)	494.84
Profit after Tax/(Loss)	(592.17)	3787.94
Add: Balance brought forward	8301.36	7897.02
Profit available for Appropriation	<b>7709.19</b>	<b>11684.96</b>
Appropriations:		
General Reserves	-	2500.00
Proposed Dividend	-	755.25
Dividend Distribution Tax	-	128.35
Balance carried forward	<b>7709.18</b>	<b>8301.36</b>

#### 2. Dividend:

Due to loss incurred on the operations of the company during the year your directors have not recommended any dividend for the year on the equity shares of the Company.

#### 3. Operations:

The sales for the year are Rs.1254.46 crores compared to Rs.1325.55 crores in the previous year. The profit for the year (before depreciation) was Rs.47.24 crores against a profit of Rs.103.21 crores in the previous year. The loss before tax amounted to Rs.4.77 crores as against profit of Rs.52.19 crores in the previous year. The loss after provision of current tax / taxes for previous years is Rs. 7.14 crores against a profit of Rs.42.83 crores of last year and loss after deferred tax was Rs. 5.92 crores against profit of Rs.37.88 crores of last year.

Major factors like lower realization on export of Synthetic Rutile, slump in prices of PVC in the third quarter of the year and heavy rains during third quarter of the year affecting the production of company's products at its Sahapuram unit, have resulted in loss on the operations of the Company.

#### 4. Exports:

The Company's exports were of Rs. 158.30 crores as compared to Rs. 224.59 crores in the previous year. This fall in Export Turnover is mainly on account of lower realization on Synthetic Rutile, coupled with lower sales during the year.

## 5. Division wise Performance:

### a) PVC Division:

The turnover of the division was Rs. 596.56 crores as compared to Rs. 600.23 crores in the previous year. The demand for PVC continues to show positive growth. The Government has identified irrigation, power and infrastructure, as thrust areas and increased activity in these sectors are likely to boost demand of PVC Resin.

### b) Caustic Soda Division:

The turnover of the division was Rs. 450.18 crores as compared to Rs.534.14 crores in the previous year, a fall of 15.71%. The fall in turnover of the division is mainly on account of lower realization on Synthetic Rutile. Heavy rains during third quarter of the year have also adversely affected the operations of this division at company's Sahupuram unit.

### c) Soda Ash Division:

The turnover of the division was Rs.192.84 crores as compared to Rs.177.25 crores in the previous year, an increase of 8.8%. The increase in turnover in the division was on account of increase in realization on the products coupled with higher quantity of sale.

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2014-15 and the date of this Report.

## 6. Projects Implemented And Under Implementation

### 6.1 Projects Implemented

#### 6.1.1. SYNTHETIC IRON OXIDE PIGMENT CUM CALCIUM CHLORIDE PROJECT AT SAHUPURAM, TAMILNADU.

The work on Synthetic Iron Oxide Pigment (SIOP) project was completed and the plant has commenced commercial production in the month of May, 2015.

Besides employing DCW's in-house technology in the manufacture of Yellow Iron Oxide Pigments, the technology provided by Rockwood Italia (Group Company of Rockwood Pigments' USA) has been used for manufacture of Red Iron Oxide Pigments.

#### 6.1.2. Producer Gas Plant

The company has set-up Producer Gas Plant at its Sahupuram unit to produce gas from coal. This will help the company to replace high cost Furnace Oil, resulting in lower cost of heating in various manufacturing units of the company at its Sahupuram works.

#### 6.1.3. Reverse Osmosis Plant (RO) :-

To meet ever increasing water requirement of Company's Sahupuram unit and to guard against water scarcity in case of scanty rains, the company has established a Reverse Osmosis (R.O) plant to recycle hard / used water back into the process. This project has been commissioned and will help the company to meet water requirement of its Sahupuram unit.

### 6.2. Projects Under Implementation

#### 6.2.1 Chlorinated Poly Vinyl Chloride (C-PVC) Project.

The Company has signed Technology License agreement with Arkema of France for putting up Chlorinated Poly Vinyl Chloride (C-PVC) Plant at its Sahupuram Facility in Tamilnadu. The UHDE India, has been appointed to do detailed engineering for the project. The work on this project has started and the project is expected to go on stream in 2015-16.

#### 6.2.2 Calcium Chloride plant at Dhrangadhra

The Calcium Chloride project is being modified to produce edible salt.



## **7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **7.1 PVC Division:**

The Company, one of the country's five producers of PVC resin, has maintained its market share of nearly 7%. Anti-dumping duty imposed on PVC resin imports from China, USA, Mexico, European Union, Indonesia will protect the domestic industry against dumping of PVC resin from these countries. Automation being implemented in this unit will help the Company in reducing cost and increasing production of this division.

### **7.2 Caustic Soda Division:**

The Company continues to be a major player in South India with a market share of approximately 20%. The demand for caustic soda is expected to grow at a steady rate, specially with increased demand from alumina manufacturers. The Company has captive use of HCL & Chlorine which helps to maintain Caustic Production at full level.

### **7.3 Soda Ash Division:**

The Soda Ash Industry continues to grow at a compounded rate of 4% - 5% per annum and this trend is expected to continue. Antidumping duty imposed on import of Soda Ash from countries of Iran, Pakistan, China, Ukraine, Kenya, European Union and the US by Govt. of India will protect the industry against dumping of Soda Ash from these countries.

## **8 OUTLOOK :**

The Company has diversified operations with three business segments viz. PVC, Chloro Alkali and Soda Ash. It is thus reasonably protected from the vagaries of individual business cycles of these products. By the commencement of commercial production at company's new Synthetic Iron Oxide Pigment plant, company is entering into specialty chemical segment and this will give more stability to the bottom line of the company.

## **9. Cautionary Note:**

Statement in this report describing the company's objectives, projections, estimates, expectation and prediction may be "forward looking statements". Actual results could differ materially from those expressed or implied due to variations in prices of raw materials and realization of finished goods, changes in government regulation, tax regimes, economic developments and other incidental factors

## **10. Directors & Key Managerial Personnel**

### **A. Retirement by rotation**

In accordance with the provisions of Section 152 (6) Mr. Mudit Jain (DIN No.00647298) retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer himself for re-appointment. The Board recommends his re-appointment

### **B. Appointment of Independent Directors**

With coming into force of the Companies Act, 2013 all the existing Independent Directors viz., Shri Sodhsal Singh Dev of Dhrangadhra (DIN No.00682550), Smt. Sujata Rangenekar (DIN No.06425371), Shri D. Ganapathy (DIN No.02707898) and Shri Salil Kapoor (DIN No.02256540) were appointed as Independent Directors by the members of the Company at the Annual General Meeting held on 13th August, 2014 under Section 149 and other applicable provisions of the Companies Act, 2013 for a term of 5 consecutive years upto the conclusion of the 80th Annual General Meeting in the calendar year 2019.

The Independent Directors have submitted the declaration of Independence, as required pursuant to section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in sub-section (6) and there has been no change in the circumstances which may affect their status as independent director during the year.

## C) Performance Evaluation -

In compliance with the Companies Act, 2013 and clause 49 of the Listing Agreement, the Performance evaluation of the Board was carried out during the year under review and a structured questionnaire was prepared covering various aspects of the Board's functioning such as participation, adequate preparation, contribution to strategy and other areas, quality of decision making, high quality of debate with robust and probing discussions etc. The Nomination and Remuneration Committee evaluated the performance of the Directors. Independent Directors at a separate meeting held by them have evaluated the performance of the non-Independent Directors and the Board as a whole and also evaluated the performance of the chairman taking into consideration the views of Managing Directors. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated.

Mr P.K. Jain, Chairman & Managing Director, Mr Bakul Jain, Mr Mudit Jain, Mr Vivek Jain, Managing Directors and Mr Vimal Jain, Chief Financial Officer and Ms. Jigna Karnick, Company Secretary are Key Managerial Personnel under Section 203 of the Companies Act, 2013. Ms Chital Shah, Company Secretary has resigned w.e.f. 15th April, 2014 and Ms. Jigna Karnick has been appointed as Company Secretary with effect from the said date.

### 11. Particulars of employees

11.1 The information required under Section 197 of the Companies Act, 2013 and Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as **Annexure 'A'**.

11.2 The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;

Managing Directors	Ratio to median remuneration
Shri P.K. Jain	36:1
Shri Bakul Jain	36:1
Shri Mudit Jain	36:1
Shri Vivek Jain	36:1

*For this purpose, sitting fees paid to the Directors have not been considered as remuneration*

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the Financial Year.

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial Year
Shri P.K. Jain - Chairman & Managing Director	7.17
Shri Bakul Jain - Managing Director	7.17
Shri Mudit Jain - Managing Director	7.15
Shri Vivek Jain - Managing Director	113.76*
Shri Vimal Jain - Chief Financial Officer	12.51
Ms. Jigna Karnick - Company Secretary	Appointed on 15/4/2014.

\* during the financial year 2013-14 Mr Vivek Jain was Sr. President of the Company for 11 months and has been appointed as Managing Director effective from 1/3/2014. As Mr. Vivek Jain is paid remuneration as Managing Director, there was substantial increase in his remuneration as compared to the remuneration paid to him as Sr. President of the Company during the year 2013-14.

- c. The percentage increase in the median remuneration of employees in the financial year : 7%
- d. The number of permanent employees on the rolls of the Company : 1839
- e. The explanation on the relationship between average increase in remuneration and Company performance:  
There is no direct relationship between average increase in remuneration of employees and Company performance.
- f. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Aggregate remuneration of key managerial personnel (KMP) (Rs. in lakhs)	534.56
Revenue (Rs. in lakhs)	125081.36
Remuneration of KMPs (as % of revenue)	0.43
Profit before Tax (PBT) (Rs. in lakhs)	(-) 476.53
Remuneration of KMP (as % of PBT)	-

- g. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2015	March 31, 2014	% Change
Market Capitalisation (Rs.in crores)	358.67	248.60	44%
Price Earnings Ratio	-	6.55	-

- h. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer

Market price as on 31st March, 2015	Rs. 16.80
Price at which the Rights Issue was made in 1988	Rs. 25.00
% increase of Market price over the price at which the above Rights issue was made.	1008%*

\*Adjustments made for (i) Bonus shares issued @1:1 in1988 & (ii) Bonus shares issued @ 3:5 in1991 & (iii) sub-division of shares from Rs. 10 to Rs. 2 in the year 2000.

- i. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in remuneration is 7% for employees other than Managerial Personnel and the increase in the Managerial remuneration was also to the same extent except of Mr. Vivek Jain, Managing Director. Mr. Vivek Jain was appointed as Managing Director with effect from 1/3/2014 prior to which he was Sr. President of the Company. As Mr. Vivek Jain is paid remuneration as Managing Director, there was substantial increase in his remuneration compared to the remuneration paid to him as Sr. President of the Company during the year 2013-14.

**j. Comparison of each remuneration of the key managerial personnel against the performance of the Company:**

Name	Designation	Remuneration (Rs. in lakhs)	% of increase in Remuneration	PAT (Rs. in lakhs)	% increase in PAT
Mr. P.K. Jain	Chairman & Managing Director	133.63	7.17	(592.17)	-
Mr. Bakul Jain	Managing Director	133.63	7.17	(592.17)	-
Mr. Mudit Jain	Managing Director	133.63	7.15	(592.17)	-
Mr. Vivek Jain	Managing Director	133.63	113.78*	(592.17)	-
Mr. Vimal Jain	Chief Financial Officer	51.05	12.51	(592.17)	-
Ms. Jigna Karnick	Company Secretary	9.74	Appointed on 15/4/2014.	(592.17)	-

**k. The key parameters for any variable component of remuneration availed by the Directors:**

Each of the Managing Director are entitled for commission @ 25% of the difference between 10% of the net profits as computed under Section 198 of the Companies Act, 2013, in a financial year and the aggregate of the salary and perquisites and benefits paid to all the Managing Directors in that year subject to the overall ceilings stipulated in Sections 197 of the Companies Act, 2013.

Each of the Non Executive Directors are entitled for commission aggregating not more than 1% of the net profits of the Company in a financial year subject to a maximum of Rs.3,00,000/- per Director as approved by the members of the Company at the Extra-Ordinary General Meeting held on December 19, 2013 besides the sitting fees for meetings of the Board and its committees attended by them.

**l. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year. :**

There are no employees of the Company who receive remuneration in excess of the highest paid Director of the Company.

**m. Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirm that remuneration is as per the remuneration policy of the Company.

**12. Statutory Auditors**

M/s. V. Sankar Aiyar & Co., Chartered Accountants, Statutory Auditors of the Company will hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment as per Section 139 of the Companies Act, 2013.

M/s. V. Sankar Aiyar & Co. have expressed their willingness to get re-appointed as the Statutory Auditors of the company and has furnished a certificate of their eligibility and consent under Section 141 of the Companies Act, 2013 and the Rules framed there under. In terms of the Listing Agreement, the Auditors have confirmed vide their letter dated 22nd January, 2015, that they hold a valid certificate issued by the Peer Review Board of the ICAI.

The members are requested to appoint M/s. V. Sankar Aiyar & Co., Chartered Accountants as Auditors from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting in 2016 on the terms and conditions as will be stated in the notice convening the forthcoming Annual General Meeting.

The Auditors' Report to the Shareholders for the year under review does not contain any qualification.

The Report given by the Statutory Auditors for the financial Statements for the year ended 31st March, 2015 read with explanatory notes thereon do not call for any explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.



### 13. Cost Auditor And Cost Audit Report

Pursuant to Section 148 of the Companies Act, 2013 the Board of Directors on the recommendation of the Audit Committee appointed M/s. N.D. Birla & Co., Ahmadabad and M/s. R. Nanabhoy & Co., Mumbai for conducting cost audit of the company's Soda Ash and Caustic Soda divisions respectively for the financial year 2013-14. Their appointments were approved by Ministry of Corporate Affairs. They have conducted Cost Audit for the financial year 2013-14 of the respective divisions and have filed cost audit report with the Central Government. They have also been appointed to do the cost audit of the said respective divisions for the year 2015-16

### 14. Secretarial Auditor and Secretarial Audit Report.

M/s. S. K. Jain & Co., (Proprietor Dr. S. K. Jain) Practicing Company Secretary was appointed to conduct Secretarial Audit of the Company for financial year 2014-15 as required under section 204 of the Companies Act, 2013 and the Rules thereunder. The Secretarial Audit report for financial year 2014-15 forms part of the annual report as "Annexure B" to the Boards Report. The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134 (3) of the Companies Act, 2013.

### 15. Conservation of Energy, Technology and Foreign Exchange.

Information on conservation of energy, technology absorption, foreign exchange earnings and out go, required to be given pursuant to provision of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is annexed here to and marked as "Annexure C" and forms part of this report.

### 16. Share Capital

During the year your company has allotted 37,03,704 equity shares of Rs.2 each at a premium of Rs.25 per share on 12/9/2014 to promoters group on preferential basis. Consequently the equity share capital has increased from Rs.41,95,81,906/- divided into 20,97,90,953 equity shares of Rs.2 each to Rs.42,69,89,314/- divided into 21,34,94,657 equity shares of Rs. 2 each.

### 17. Extract of the Annual Return

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March 2015 made under the provisions of Section 92 (3) of the Act in Form MGT-9 is annexed herewith as "Annexure D".

### 18. Public Deposits

The Company has not accepted renewed any amount falling within the purview of provisions of Section 73 of the Companies Act. 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

### 19. Internal Control Systems and their adequacy

The Company has adequate internal control procedure commensurate with the nature of its business and size of its operations. Internal Audit is conducted on a regular basis by a reputed firm of Chartered Accountants.

The reports of the internal audit along with comments from the management are placed for review before audit committee.

### 20. Committees of the Board.

The Board has constituted the following mandatory committees viz., Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Internal Compliance Committee. The terms of reference of these committees are as required under the provisions of the respective Acts / Listing Agreement with Stock Exchanges / as determined by the Board. Meeting of each of these committees are convened by the respective Chairman of the Committees and minutes of the meetings of these committees are placed at the Board Meetings. The details of these committees are stated in this Report / Annexures to this Report.

#### 20.1 Corporate Social Responsibility (CSR)

Pursuant to Section 135 of the Companies Act, 2013 and the relevant Rules, the Board has constituted the Corporate Social Responsibility (CSR) Committee under the Chairmanship of the Board Chairman, Mr. P.K. Jain. The other members of the Committee are Mr. Bakul Jain, Managing Director and Mr. Sodhsal Singh Dev of Dhrangadhra, Independent Director. A detailed CSR Policy has also been framed which is placed on the company's website. Other details for the CSR activities as required under Section 135 of the Companies Act, 2013 are given in the CSR Report at "Annexure E".

## **20.2 Internal Compliance Committee.**

In terms of the provisions of the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013., the Company has formed Internal Compliance Committees at its Head Office at Mumbai, and its Works at Sahapuram, Tamilnadu and Dhrangadhra, Gujarat. The Board also has approved a policy for prevention of Sexual Harassment at Work place. There were no Complaints filed till date under the said policy.

## **20.3 Risk Management Committee**

As required under Clause 49 of the Listing Agreement, the Board of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Risk Management Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

## **20.4 Audit Committee.**

The Board has well-qualified Audit Committee comprising only. Independent Directors. They possess sound knowledge on Accounts, Audit, Finance, Taxation, Internal Controls etc. The details of the Composition of the Audit Committee are given in the Corporate Governance Report.

The Company Secretary of the Company acts as Secretary of the Committee.

During the year, there are no instances where the Board had not accepted the recommendation of Audit Committee.

## **20.5 Nomination & Remuneration Committee & Policy**

The Company has duly constituted Nomination & Remuneration Committee to align with the requirements prescribed under the provisions of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement.

The details of the Composition of the Nomination & Remuneration Committee are given in the Corporate Governance Report.

The Board has framed a policy for selection and appointment of Directors, Senior Management and their Remuneration. The policy provides for determining qualification, positive attributes, and independence of a Director.

## **21. Details in respect of adequacy of internal financial controls with reference to the financial statements.**

A strong internal control culture is pervasive in the company. The Company has implemented a robust and comprehensive internal control system for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources. The internal audit department continuously monitors efficiency of internal controls with objective of providing to the audit committee and the board of directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organizations risk management, controls and governance processes.

Your Company operates in SAP, ERP environment and has its accounting records stored in an electronic form and backed up periodically. The ERP system is configured to ensure that all transactions are integrated seamlessly with the underlying books of account. Your Company has automated processes to ensure accurate and timely updation of various master data in the underlying ERP system.

## **22. Related Party Transactions:**

All the related party transactions are entered on arms length basis and are in compliance with the applicable provisions of the Act and the Listing Agreement. All related party transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the audit committee on a quarterly basis specifying the nature value and terms and conditions of the transactions.

The Related Party Transactions Policy as approved by the Board is uploaded at the Company's website.

The details of transactions with Related Parties are provided in the accompanying financial statements.

## **23. Particulars of loans, guarantees and investments.**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.



#### **24. Vigil Mechanism / Whistle Blower Policy**

In terms of the provisions of Section 177 (9) & (10) of the Companies Act, 2013 company has established a Vigil Mechanism for Directors and employees to report genuine concerns about unethical behavior or suspected fraud or violation of the Company's Code of Conduct by Directors / employees. The Audit Committee oversees the Vigil Mechanism. Vigil Mechanism has been disclosed by the Company on its website.

#### **25. Corporate Governance Certificate**

The report on Corporate Governance is annexed to this report as “**Annexure F**”.

#### **26. Directors' Responsibility Statement**

In terms of section 134 (3) (c) of the Companies Act, 2013, your Directors have:

- (a) in the preparation of the annual accounts for the Financial Year ended March 31, 2015 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 were 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.

#### **27. Significant/Material Orders passed by the Regulators**

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

#### **28. Insurance**

All the properties of the Company are adequately insured.

#### **29. Industrial Relations:**

The relations between the employees and the management were cordial and an atmosphere of understanding prevailed throughout the year.

#### **30. Acknowledgements**

The Board places on record their grateful appreciation for the assistance and co-operation received from the Financial Institutions and the Banks.

For and on behalf of the Board of Directors

**P.K. Jain**

**Chairman & Managing Director**

Place: Mumbai

Date: 23rd May, 2015

## ANNEXURE TO THE DIRECTOR'S REPORT

Information as per Section 197 (12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Director's Report

Sr. No.	Name	Designation	Remuneration (Rupees)	Qualification	Experience (Years)	Date of commencement of Employment	Age (Years)	Last employment held.
<b>Employed for whole of the year</b>								
1	Shri Pramod Kumar Jain	Chairman & Managing Director	13,682,460	B.A. (Hon.) Economics	56	01.04.1969	77	Sahu Brothers Pvt. Ltd.
2	Shri Bakul Jain	Managing Director	13,682,460	B.Com., MBA	31	01.09.1984	60	-
3	Shri Vivek Jain	Managing Director	13,682,460	B. Com, MBA	31	01.09.1984	56	-
4	Shri Mudit Jain	Managing Director	13,682,460	B. Com, MBA	25	01.04.1989	51	-
5	Shri Ashish Jain	Sr. President	11,796,810	B. Com, MBA	20	03.08.1995	44	-
6	Mrs. Paulomi Jain	President	11,788,775	B. Com	19	01.11.1996	52	-
7	Mrs. Malti Bhindi	President	11,353,596	B.A. (Economics)	15	01.10.2012	56	-
8	Mr. Saatvik Jain	President	11,371,903	B.S.B.A, (U.S.A)	7	01.03.2014	29	Cedar Management Consulting Institute.
9	Shri Amitabh Gupta	Sr. Vice President - Marketing	78,44,935	M.Sc.	42	15.07.1971	63	-
<b>Employed for part of the year</b>								
1	Mr. Mohan Nagpal	Sr.Gen.Manager (PVC)	43,07,428	B.Sc.PG Dip. in International Trade	36	15.05.1995	58	Pidilite Industries.
2	Mr. Satish Ayer	Gen. Manager (Foreign Trade)	45,77,086	B.Sc.Dip.in Sales & Mktg.	44	07.04.1993	65	Diamines & Chemicals Ltd.

## Notes :

- In case of Employees employed for the whole year the gross remuneration shown above (subject to tax) comprise salary, Perquisites, Company's contribution to Provident Fund, Superannuation Fund and Gratuity Fund.
- In case of employees employed for part of the year, the gross remuneration shown above (subject to tax) comprise salary, perquisites, Company's Contribution to Provident Fund and gratuity paid .
- The nature of employment of the Managing Directors is contractual.
- The Following are related to each other  
Mr. P.K. Jain and Mr. Ashish Jain. Mr. Bakul Jain & Mrs. Paulomi Jain. Mr. Mudit Jain and Ms. Malti Bhindi. Mr. Vivek Jain and Mr. Saatvik Jain

# ANNEXURE TO THE DIRECTOR'S REPORT

## Secretarial Audit Report

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

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015**

To,  
The Members,  
**DCW Limited**  
Nirmal, 3rd Floor,  
Nariman Point,  
Mumbai - 400021

Dear Sir,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by DCW Limited (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes 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, we hereby report that in our opinion, the Company has, during the financial year ended 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by DCW Limited ("the Company") as given in **Annexure I**, 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 for specified Sections notified and came into effect from 12th September, 2013 and Sections and Rules notified and came into effect from 1st April, 2014;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Securities and Exchange Board of India (Depository & Participants) Regulations, 1996 thereunder;
  - (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - I. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
2. Provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowing, Foreign Direct Investment and Overseas Direct Investment were not attracted to the Company under the financial year under review.
3. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
  - i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable as the Company has not issued any Debt securities during the Financial Year under review)
  - ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable as the Company has not delisted/propose to delist its Equity Shares from any Stock Exchange during the Financial Year under review)
  - iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable as the Company has not brought back/propose to Buy-back any of its securities during the Financial Year under review)
  - iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable as the Company has not introduced any such scheme during the Financial Year under review)
4. Other laws applicable specifically to the Company namely:
  - i. Explosive Act, 1884;
  - ii. Hazardous Waste (Management and Handling) Rules, 1989;
  - iii. Gas Cylinder Act, 1981.
  - iv. Bureau of Indian Standards Act, 1986
5. I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure II**.
6. In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts we have relied on the Reports given by the Statutory Auditors of the company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 1956; (Not notified and hence not applicable to the Company during Audit period) and
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange;

During the financial year under report, the Company has complied with the provisions of the Act, Old Act, Rules, Regulations, Guidelines, Standards, etc. 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 year under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through and recorded as part of the minutes.

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

**I further report that** during the year/audit period under report, the Company has not undertaken events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

The Board of Directors in its Meeting held on 12/09/2014 allotted 37,03,704 Equity Shares of Rupees 10 each aggregating to Rs. 100000008/- (Rupees Ten Crore Eight) at issue price of Rs. 27 per Equity Shares (including premium of Rs 25 per share) to various allottees and has duly complied with provision of Section 42(62) and other applicable provision of the Companies Act 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, Companies (Share Capital and Debentures ) Rule 2014, The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulation 2009 and Listing Agreement entered into between the Company and Stock Exchanges

Place: Mumbai  
Date: 23rd May, 2015

For **S. K. Jain & Co.**  
(Dr. S.K.Jain)  
Proprietor  
Company Secretary  
FCS: 1473  
COP: 3076

## ANNEXURE - I

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2014.
3. Minutes of the Meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Share Transfer Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee along with Attendance Register held during the Financial Year under report.
4. Minutes of General Body Meetings held during the Financial Year under report.
5. Statutory Registers viz.
  - Register of Director's & KMP
  - Register of Director's Shareholding
  - Register of Charges
  - Register of Contracts or Arrangement with Related Party
  - Register of Share Transfer
6. Agenda papers submitted to all the Directors /Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report.
8. Intimations received from directors under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
9. e-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.
11. Documents related to payments of dividend made to its shareholders during the financial year under report.



## ANNEXURE - II

### Registered Office:

M/S DCW Limited, Dhrangadhra, Gujarat - 363 315

### Corporate Office:

M/S DCW Limited, Nirmal, 3rd Floor, Nariman Point, Mumbai - 400 021

### Plants:

1. M/S Dharangadhara Chemical Works Limited  
(M/s DCW Ltd.,)  
Near Railway Station, Dhrangadhra,  
Surendranagar District - 363 310
2. M/S Dharangadhara Chemical Works Limited  
(M/s DCW Ltd.,)  
Sahupuram, Arumuganeri Post,  
Thoothukudi District - 628 229

### List of applicable laws to the Company

#### Under M/S DCW Ltd., Near Railway Station, Dhrangadhra, Surendranagar District - 363 310

1. Factories Act, 1948 read with The Gujarat Factories Rules, 1963;
2. Industrial Dispute Act, 1947 read with Gujarat Rules, 1966;
3. Payment of Bonus Act, 1956;
4. Payment of Gratuity Act, 1972;
5. Payment of Wages Act, 1938;
6. The Minimum Wages Act, 1948;
7. Industrial Employment Standing Orders Act, 1946;
8. Professional Tax Act, 1975;
9. Employees' Provident Fund Act, 1952;
10. The Contract Labour Act, 1970;
11. The Employment Exchange Act, 1959;
12. The Employees' State Insurance Act, 1948;
13. Apprentices Act, 1961;
14. Maternity Benefits Act, 1961;
15. Equal Remuneration Act, 1976;
16. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
17. Gujarat Welfare Fund Act, 1953;
18. Air (Prevention and Control of Pollution) Act, 1981;
19. Air (Prevention and Control of Pollution) (Union Territories) Rules, 1983;
20. Water (Prevention and Control of Pollution) Act, 1974;
21. Water (Prevention and Control of Pollution) Cess Act, 1977;
22. Environmental (Protection) Rules, 1986;
23. Standards of Weights and Measures Act, 1976;
24. Standards of Weights and Measures (Enforcement) Act, 1985;
25. Standards of Weights and Measures (Packaged Commodities) Rules, 1977;
26. Motor Vehicle Act, 1988;

#### Under M/S DCW Ltd., Sahupuram, Arumuganeri Post, Thoothukudi District - 628 229

1. Factories Act, 1948 read with The Tamil Nadu Factories Rules, 1950;
2. Industrial Dispute Act, 1947 read with Tamil Nadu Industrial Disputes Rules, 1958;
3. Payment of Bonus Act, 1956;
4. Payment of Gratuity Act, 1972;
5. Industrial Employment Standing Orders Act, 1946;
6. Professional Tax Act, 1975;
7. Employees' Provident Fund Act, 1952;
8. The Contract Labour Act, 1970;
9. The Employment Exchange Act, 1959;
10. The Employees' State Insurance Act, 1948;
11. Apprentices Act, 1961;
12. Tamil Nadu Welfare Fund Act, 1972;
13. Air (Prevention and Control of Pollution) Act, 1981;
14. Air (Prevention and Control of Pollution) (Union Territories) Rules, 1983;
15. Environmental (Protection) Rules, 1986;
16. Standards of Weights and Measures Act, 1976;
17. Standards of Weights and Measures (Enforcement) Act, 1985;
18. Motor Vehicle Act, 1988;

## ANNEXURE TO THE DIRECTORS' REPORT

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rules 8of the Companies (Accounts) Rules, 2014.

**A) CONSERVATION OF ENERGY:**

(i) the steps taken or impact on conservation of energy;

**SAHUPURAM****CS Plant :**

1. Installed VFD for the Rectifier Return Pump -B . Measured savings was 760 units per day.
2. Lean brine pump "A" impeller trimming was done and savings of 216 units per day achieved.
3. Process cooling water pump A, B and C Energy saving coating was applied and savings of 300 KWH per day achieved.
4. Process cooling Tower Fan A: By replacing Aluminum Blades with FRP Blades on 21-04-2014 a savings of around 50 units per day achieved.

**Synthetic Rutile Plant :**

1. In Utox Calciner reduction of zone temperature from 850\*c to 750\*c which leads to savings of oil.
2. Savings through procurement of 3Nos energy efficient motors = 45,109 units
3. Savings through providing energy efficient lightings in plant = 66,935 units
4. Savings through procurement of energy efficient ceiling fans in Plant = 1,226 units.

**PVC plant:**

1. New dryer commissioned results in the saving of 10 to 15 tons of steam per day.

**Cogen Power Plant:**

1. 132KW capacity VFD is installed for Boiler- 2 Primary Air Fan resulting a power saving of 96 KW/Day.
2. Installed the Vortex Air Flow meters in compressed air lines for measuring and monitoring the Specific power consumption of the compressed air flow, towards energy conservation.
3. Installed Online Digital Pychrometer to access the performance the cooling towers in 2 X 25 MW unit

**Installation of supermizers & Variable Frequency drives.**

Supermizers, the electronic device to reduce the energy consumption in three phase induction motors are being used continuously in all plants to save energy. During the year, 166 Supermizers were in service resulting in annual saving of about 21 Lacs units. Energy conservation on account of VFDs is about 13.74 Lacs units.

**DHRANGADHRA****Steam & Fuel****1) Installation of centrifuge to reduce moisture in crude bicarbonate:**

	Before	After installation of centrifuge:
Moisture	18%	12%
steam consumption	1.50	1.22 (reduction of 0.28 mt/mt sodaash.)





## 2) Calciner Flash Steam Recovery :

Single stage flash system,( 25 bar condensate to 2.40 bar steam) converted to double stage, steam recovery to get 6 bar & 2.40 bar steam from calciner steam condensate. Steam savings per day : 11.9 M.T

## 3) Distiller Waste Liquor Flash Steam Recovery :

Recovery of 0.60 mt/hr of low pressure steam( 2 bar) from hot distiller waste by flashing with motive steam through steam jet ejector & flash vessel.

- 4) I Reduction in deaerator steam in boiler due to steam reduction in boiler.
- II Improved steam condensate recovery from bicarb plant.
- III Heat recovery from weak liquor condensate with new heat exchanger

## (ii) the steps taken by the company for utilising alternate sources of energy;

1. Possibilities of harnessing solar energy for enhancing salt production are being explored.
2. Solatubes ( lighting using solar energy) are being installed in few areas as trial and based on performance to be extended for office buildings too.

## (iii) the capital investment on energy conservation equipments;

**Rs. 380.56 Lacs**

## (B) TECHNOLOGY ABSORPTION:

### (i) the efforts made towards technology absorption and (ii) benefits derived as a result of the said efforts.

#### CPVC Plant

1. The Company is setting up a 10,000 TPA of CPVC Resin plant & 12,000 TPA of CPVC Compound resin plant at Sahupuram with the technical collaboration with M/s.Arkema, France, one of the pioneers in the field of CPVC manufacturing. This plant of DCW Ltd. will be the first plant in India to manufacture both CPVC Resin & Compound. At present CPVC is entirely imported by pipe manufacturers in India. The project is expected to go on stream in 2015-16.

#### 2. Synthetic Yellow and Red Iron Oxide Pigment Plant/ CaCl<sub>2</sub> granules plant.

The commissioning activities started in Synthetic Yellow and Red Iron Oxide Plant. Yellow Iron Oxide Pigments are being manufactured with the inhouse technology. Red Iron Oxide Pigments are being manufactured with the technology provided by M/s Rockwood Italia, USA.. The Plant is also a Pollution abatement Project manufacturing commercially viable product from waste liquor. An off take Agreement has been signed with Rockwood Italia for sale of 50% of Iron Oxide Pigments and balance 50% of the product can be sold at Company's option.

3. **Dual burner** (producer gas/furnace oil) commissioned in roasters , and utox calciner) and tri fuel burner(producer gas/hydrogen/furnace oil) commissioned in UGI calciner to utilize producer gas and reduce cost of fuel.
4. **Modified bricks** provided in automated digester to increase the volume/capacity .
5. To ensure solid free effluent and increase utox recovery from leach liquor and wash water stream, augmentation of utox section taken and commissioned

#### 6. Chloralkali plant:

A very novel multiple fuel burner (Furnace oil / hydrogen / producer gas) is being commissioned in Fusion Plant. Installation of Temperature scanners in Chlorine filling points and provision of software for Chlorine tonner tracking are few of noteworthy activities on safety aspects.

#### 7. PVC Plant

Trials using variable frequency drive fitted on the reactor agitator motor has helped in increasing the productivity per reactor by reducing the water to monomer ratio .

**iii) Information regarding imported technology.**

(imported during the last 3 years (from the beginning of the financial year)

- a. Technology imported : Synthetic Red Iron Oxide Technology from Rockwood Italia & CPVC technology from M/s Arkema, France.
- b. Year of Import : 2011-12 & 2012-13 respectively
- c. Has the technology been fully absorbed. : Synthetic Red Iron Oxide Technology - yes  
CPVC technology - under implementation.

**iv) Expenditure on Research & Development :**

- a. Capital : Rs. Nil lacs
- b. Recurring : Rs.28 lacs.
- c. Total Research & Development Expenditure as a percentage of total turnover (Net of Excise) 0.02%.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Particulars regarding foreign exchange earnings and outgo appear in Schedule 6 forming part of Profit and Loss Account.

**Extract of Annual Return**

as on the financial year ended on 31st December, 2014

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	L24110GJ1939PLC000748
ii.	. Registration Date	28th January, 1939
iii.	Name of the Company	DCW Limited
iv.	Category/Sub-Category of the Company	Inorganic / Petro Chemicals
v.	Address of the Registered office and contact details	Dhrangadhra - 363 315, Gujarat Tel. : (02754) - 282560 E-mail : legal@dcwlt.com
vi.	Whether listed Company (Yes/No)	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Limited, E/2&3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai - 400072, Tel.:022 - 28470652, 404 30200, 28470653, Fax No. : 28475207. E-mail : investor@bigshareonline.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** All the business activities contributing 10 % or more of the total turnover of the company shall

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

Sl.No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1.	Caustic Soda	20122	36.89
2.	Soda Ash	20122	15.42
3.	PVC Resin	24134	47.69

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sl.No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	DCW Pigments Limited 358, Annasalai Thousand Lights, Chennai - 600006 Tamil Nadu	U24117TN2007PLC062025	Subsidiary	100	2(87)

**III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**I SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY)**
**I) Category - wise share holding**

Category of Shareholders	No. of shares held at the beginning of the year 01.04.2014				No. of shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	41583400	0	41583400	19.82	47130784	0	47130784	22.08	2.25
(b) Central Govt.	0	0	0	0	0	0	0	0.00	0.00
(c) State Govt(s)	0	0	0	0	0	0	0	0.00	0.00
(d) Bodies Corp.	53694486	0	53694486	25.59	54806190	0	54806190	25.67	0.08
(e) Banks/Fl	0	0	0	0	0	0	0	0.00	0.00
(f) Any other	0	0	0	0	0	0	0	0.00	0.00
Sub-total (A)(1):-		0	95277886	45.42	101936974	0	101936974	47.75	2.33
(2) Foreign						0		0.00	0.00
(a) NRIs Individual	0	0	0	0	0	0	0	0.00	0.00
(b) Other Individual	0	0	0	0	0	0	0	0.00	0.00
(c) Bodies Corp.	0	0	0	0	0	0	0	0.00	0.00
(d) Banks/Fl	0	0	0	0	0	0	0	0.00	0.00
(e) Any Other.....	0	0	0	0	0	0	0	0.00	0.00
Sub-total (A) (2):-	0	0	0	0	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	95277886	0	95277886	45.42	101936974	0	101936974	47.75	2.33
B.Public shareholding									
1. Institutions									
(a) Mutual Funds	10755	7950	18705	0.01	10755	7950	18705	0.01	(0.00)
(b) Banks/Fl	148196	21540	169736	0.08	583702	21540	605242	0.28	0.20
(c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	8516415	0	8516415	4.06	8366415	0	8366415	3.92	(0.14)
(g) FIs	18445377	0	18445377	8.79	15570377	0	15570377	7.29	(1.50)
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others (specify)									
Foreign Banks	0	42225	42225	0.02	0	42225	42225	0.02	(0.00)
Sub-total (B) (1):-	27120743	71715	27192458	12.96	24531249	71715	24602964	11.52	(1.44)

Category of Shareholders	No. of shares held at the beginning of the year 01.04.2014				No. of shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2. Non-Institutions									
(a) Bodies Corp.	8107000	71135	8178135	3.90	11002939	71135	11074074	5.10	1.29
(i) Indian		0		0.00		0		0.00	0.00
(ii) Overseas		0		0.00		0		0.00	0.00
(b) Individuals		0		0.00		0		0.00	0.00
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.	50435305	4107071	54542376	26.00	48746930	3978896	52725826	24.70	(1.30)
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	13353374	98250	13451624	6.41	12690831	98250	12789081	5.99	(0.42)
(c) Others (specify)									
Clearing Member	565942	0	565942	0.27	535056	0.00	535056	0.25	(0.02)
NRI	1947264	24450	1971714	0.94	1316414	24450	1340864	0.63	(0.31)
OCBs	5760218	0	5760218	2.75	5760218	0	5760218	2.70	(0.05)
Trust	76850	0	76850	0.04	20850	0	20850	0.01	(0.03)
Sub-total (B) (2):-	80245953	4300906	84546859	40.30	80073238	4172731	84245969	39.46	(0.84)
Total Public shareholding (B) = (B) (1) + (B)(2)	107366696	4372621	111739317	53.26	104604487	4244446	108848933	50.98	(2.28)
C. Shares held by Custodian for GDRs & ADRs.	2773750	0	2773750	1.32	2708750	0	2708750	1.27	(0.05)
<b>Grand Total (A + B + C)</b>	<b>205418332</b>	<b>4372621</b>	<b>209790953</b>	<b>100.00</b>	<b>209250211</b>	<b>4244446</b>	<b>213494657</b>	<b>100.00</b>	<b>0.00</b>

**ii Shareholding of Promoters**

Sr. No.	Shareholders Name	Shareholding at the beginning of the year 01.04.2014				Share Holding at the end of the year 31.03.2015				% Change in Share holding during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
1	SAHU BROTHERS PRIVATE LIMITED	50148156	0	50148156	23.49	51259860	0	51259860	24.01	0.52
2	VANDANA JAIN	7120206	0	7120206	3.34	8923706	0	8923706	4.18	0.84
3	VIVEK JAIN	2544404	0	2544404	1.19	6426531	0	6426531	3.01	1.82
4	USHA P JAIN	3720545	0	3720545	1.74	4208601	0	4208601	1.97	0.23
5	ASHISH JAIN	3866068	0	3866068	1.81	3866068	0	3866068	1.81	0.00
6	MUDIT JAIN	2500498	0	2500498	1.17	3148498	0	3148498	1.47	0.30
7	PRAMOD KUMAR JAIN	4740975	0	4740975	2.22	6054803	0	6054803	2.84	0.62
8	DURGAVATI JAIN	3241991	0	3241991	1.52	3241991	0	3241991	1.52	0.00
10	PREMCHAND JAIN	1920540	0	1920540	0.90	1920540	0	1920540	0.90	0.00
11	NAMITA P JAIN	1361945	0	1361945	0.64	1361945	0	1361945	0.64	0.00
13	M/S DHRANGADHRA TRADING CO PVT LTD	1158750	0	1158750	0.54	1158750	0	1158750	0.54	0.00
14	SAATVIK JAIN	1400618	0	1400618	0.66	1400618	0	1400618	0.66	0.00
15	VARSHA JAIN	1144580	0	1144580	0.54	1144580	0	1144580	0.54	0.00
16	CRESCENT HOLDINGS AND ENTERPRISES PVT LTD	1137000	0	1137000	0.53	1137000	0	1137000	0.53	0.00
18	SAHU CYLINDERS & UDYOG PVT LTD	1103250	0	1103250	0.52	1103250	0	1103250	0.52	0.00
19	BAKUL JAIN	1248292	0	1248292	0.58	1896292	0	1896292	0.89	0.30
20	SONALIKA JAIN	871941	0	871941	0.41	871941	0	871941	0.41	0.00
22	MEETA JAIN	778720	0	778720	0.36	778720	0	778720	0.36	0.00
24	BHARATI JAIN	620470	0	620470	0.29	620470	0	620470	0.29	0.00
25	PAULOMI BAKUL JAIN	480085	0	480085	0.22	480085	0	480085	0.22	0.00
26	NEERA JAIN	1923960	0	1923960	0.90	306481	0	306481	0.14	-0.76
29	NITISH JAIN	221568	0	221568	0.10	221568	0	221568	0.10	0.00
31	SATYAWATI GIANCHAND JAIN	109000	0	109000	0.05	109000	0	109000	0.05	0.00
33	FLORIDA HOLDINGS AND TRADING P. LTD	76750	0	76750	0.04	76750	0	76750	0.04	0.00
34	RIMA SAATVIK JAIN	59511	0	59511	0.03	59511	0	59511	0.03	0.00
35	MALTI BHINDI	50000	0	50000	0.02	50000	0	50000	0.02	0.00
36	SAMARTH JAIN	34000	0	34000	0.02	34000	0	34000	0.02	0.00
37	KALPATARU BOTANICAL GARDENS PVT LTD	22500	0	22500	0.01	22500	0	22500	0.01	0.00
39	CASHCO HOLDINGS PVT LTD	17750	0	17750	0.01	17750	0	17750	0.01	0.00
40	B J HOLDINGS P. LTD.	16000	0	16000	0.01	16000	0	16000	0.01	0.00
41	D P B HOLDINGS PRIVATE LIMITED	13500	0	13500	0.01	13500	0	13500	0.01	0.00
42	SHIVANTIKA JAIN	4835	0	4835	0.00	4835	0	4835	0.00	0.00
43	CANVAS SHOE CO. (GOA)PVT LTD	830	0	830	0.00	830	0	830	0.00	0.00
44	SHASHI CHAND JAIN	1618648	0	1618648	0.76	0	0	0	0	-0.76
		95277886	0	95277886	44.63	101936974		101936974	47.75	3.12

(iii) Change in Promoters' Shareholding (please specify, if there is no change)								
Sl. No.	Name of the Promoter	At the beginning of the year date wise Increase/ Decrease in Promoters share holding during the year specifying the reasons for increase/ decrease (e.g.allotment / transfer / bonus / sweat equity etc. At the end of the year					Cumulative Shareholding during the year	
		Beginning of the year 01.04.2014	%of total shares of the Company	Increase/ Decrease	Date	Reason	No. of shares at the end of the year 31.03.2015	%of total shares of the Company
1	Ms. Vandana Jain	7120206	3.39	95,600 200,000 200,000 200,000 175,000 300,000 190,000 175,000 140,000 127,000	27.03.2014 31.03.2014 03.04.2014 10.04.2014 17.04.2014 21.04.2014 28.04.2014 02.05.2014 05.05.2014 08.05.2014	Buy Buy Buy Buy Buy Buy Buy Buy Buy Buy	8923706	4.18
2	Dr. Shashi Chand Jain & Neera Jain	1,763,823	0.84	195,670 9,724 148,351 250,000 175,000 -926,049 -1,616,648	21.04.2014 22.04.2014 23.04.2014 25.04.2014 30.04.2014 21.01.2015 21.01.2015	Buy Buy Buy Buy Buy Sell Gift given	0	0.00
3	Shri P. K. Jain	4,740,975	2.26	275,150 462,820 225,200 175,300 175,358	25.04.2014 12.09.2014 18.02.2015 23.02.2015 10.03.2015	Buy preferential issue Buy Buy Buy	6,054,803	2.84
4	Neera Jain	1,923,960	0.92	-1,617,479	21.01.2015	Gift given	306,481	0.14
5	Shri Vivek Jain	2544404	1.21	648,000 3,234,127	12.09.2014 21.01.2015	Preferential issue Gift received	6,426,531	3.01
6	Ms. Usha P. jain	3,720,545	1.77	185,180 175,350 127,526	12.09.2014 16.02.2015 24.03.2015	Preferential issue Buy Buy	4,208,601	1.97
7	Shri. Mudit Jain	2,500,498	1.19	648,000	12.09.2014	Preferential issue	3148498	1.47
8	Sahu Brother Private Limited	50,148,156	23.90	1,111,704	12.09.2014	Preferential issue	51,259,860	24.01
9	Bakul Jain	1,248,292	0.60	648,000	12.09.2014	Preferential issue	1,896,292	0.89

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

Sl. No.	Name	Shareholding at the beginning of the year 01-04-2014		Cumulative Shareholding end of the year 31-03-2015	
		No. of share	% of total shares of the Company	No. of share	% of total shares of the Company
1	APMS INVESTMENT FUND LTD	9805000	4.67	9805000	4.67
2	LIFE INSURANCE CORPORATION OF INDIA	8366415	3.99	8366415	3.99
3	QUINCY OVERSEAS LIMITED	5753250	2.74	5753250	2.74
4	LOTUS GLOBAL INVESTMENTS LTD	5540377	2.64	4390377	2.06
5	THE BANK OF NEW YORK MELLON	2773750	1.32	2708750	1.29
6	CRESTA FUND LTD	3100000	1.48	1375000	0.66
7	SECURITIES HOLDINGS INDIA PRIVATE LIMITED	1300000	0.61	1300000	0.61
8	RAJENDRA KUMAR HIRAWAT	1361945	0.65	1149445	0.54
9	ANJANA BANGAD	830622	0.40	1000000	0.48
10	MADHUSUDAN KELA	367356	0.17	566623	0.27
11	PREM LATA HIRAWAT	432694	0.21	367694	0.17
12	MAYUR MANGALDAS KOTHARI	454006	0.22	0	0.00
13	JAGDISHWAR TOPPO	492550	0.23	0	0.00

\* The shares of the Company are traded on a daily basis and hence the date wise increase/decrease in shareholding is not indicated

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

Sl. No.	Name of the Director and Key Managerial Person	At the beginning of the year date wise Increase/ Decrease in Promoters share holding during the year specifying the reasons for increase/ decrease (e.g.allotment/ transfer / bonus / sweat equity etc. At the end of the year					Cumulative Shareholding during the year	
		No. of share at the beginning of the year 31.03.2014	% of total shares of the Company	Increase/ Decrease	Date	Reason	No. of share at the end of the year 31.03.2015	% of total shares of the Company
1	Mr. Pramod Kumar Jain (Chairman and Managing Director)	4740975	2.26	275,150 462,820 225,200 175,300 175,358	25.04.2014 12.09.2014 18.02.2015 23.02.2015 10.03.2015	Buy preferential issue Buy Buy Buy	6,054,803	2.84
2	Mr. Bakul Jain (Managing Director)	1248292	0.60	648,000	12.09.2014	Preferential issue	1,896,292	0.89
3	Mr. Mudit Jain (Managing Director)	2500498	1.19	648,000	12.09.2014	Preferential issue	3,148,498	1.47
4	Mr. Vivek Jain (Managing Director)	2544404	1.21	648,000 3,234,127	12.09.2014 21.01.2015	Preferential issue Gift received	6,426,531	3.01
5	Mr. Sodhsal Singh Dev of Dhrangadhra (Non-executive and Independent Director)	55,000	0.00	0	0	0	55,000	0.03
6	Mr. D. Ganapathy (Non-executive and Independent Director)	0	0	0	0	0	0	0
7	Ms. Sujata Ragnekar (Non-executive and Independent Director)	0	0	0	0	0	0	0
8	Mr. Salil Kapoor (Non-executive and Independent Director)	0	0	0	0	0	0	0
9	Mr. Vimal Jain (Chief Financial Officer)	0	0	0	0	0	0	0
10	Mr. Jigna Karnick (Dy. Company Secretary)	0	0	0	0	0	0	0



V	INDEBTNESS			
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits (Rs in lacs)	Unsecured loans	Deposits	Total Indebtedness (Rs in lacs)
Indebtedness at the beginning of the financial year				
I) Principal Amount	65,680.57	-	-	65,680.57
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	192.59	-	-	192.59
Total (i + ii + iii)	65,873.16	-	-	65,873.16
Change in Indebtedness during the financial year				
• Addition	7,953.40	-	-	7,953.40
• Reduction	7,095.32	-	-	7,095.32
Net Change	858.08			858.08
Indebtedness at the beginning of the financial year				
I) Principal Amount	66,654.93	-	-	66,654.93
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	76.31	-	-	76.31
Total (i + ii + iii)	66,731.24	-	-	66,731.24

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Shri. Pramod Kumar Jain	Shri. Bakul Jain	Shri. Vivek Jain	Shri. Mudit Jain	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16146732	16146732	10996835	16146732	59437031
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	1517860	1517860	1517860	1517860	6071440
	(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 (A)	17664592	17664592	12514695	17664592	65508471
	Ceiling as per the Act	17664592	17664592	12514695	17664592	65508471

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri. Sodhsal Singh Dev of Dhrangadhra	Shri. D Ganapathy	Smt. Sujata Ranganeekar	Shri. Salil Kapoor	
	z					
1	Independent Directors					
	Fee for attending board committee meetings	90,000/-	1,00,000/-	1,00,000/-	30,000/-	3,20,000/-
	Commission	_____	_____	_____	_____	_____
	Others, please specify	_____	_____	_____	_____	_____
	Total (1)	_____	_____	_____	_____	_____
2	Other Non-Executive Directors	_____	_____	_____	_____	_____
	Fee for attending board committee meetings	_____	_____	_____	_____	_____
	Commission	_____	_____	_____	_____	_____
	Others, please specify	_____	_____	_____	_____	_____
	Total (2)	_____	_____	_____	_____	_____
	Total (B) = (1 + 2)	_____	_____	_____	_____	_____
	Total Managerial	_____	_____	_____	_____	_____
	Remuneration	_____	_____	_____	_____	_____
	Overall Ceiling as per the Act	_____	_____	_____	_____	_____

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	_____	9,12,604/-	40,22,130/-	49,34,734/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	_____	_____	5,40,978/-	5,40,978/-
	(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	_____	9,12,604/-	45,63,108/-	54,75,712/-

## ANNEXURE TO DIRECTOR'S REPORT

### STATEMENT CONTAINING INFORMATION AS PER SECTION 135 READ WITH THE RULE 8 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY) RULES, 2014 AND FORMING PART OF DIRECTORS' REPORT.

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.	<p>The Objectives of Company's CSR Policy are to demonstrate commitment to the common good through responsible business practices and good governance and to set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models. The projects the company has undertaken / proposes to undertake is mainly in eradicating hunger, poverty and malnutrition promoting preventive health care, promoting education including special education and employment enhancing vocation skills, ensuring environmental sustainability, ecology balance, agro forestry, conservation of natural resources. Ecology balances, protection of natural heritage, art and culture, measures of the benefit of the armed forces, training to promote rural sports etc.</p> <p>The Company's web link to the CSR policy and projects is <a href="http://www.dcwlimited.com/PDF/policy/policy.zip">http://www.dcwlimited.com/PDF/policy/policy.zip</a></p>
2.	The Composition of the CSR Committee	<p>1 Mr. P. K. Jain : Chairman and Managing Director &amp; Chairman of CSR Committee 2 Mr. Sodhsal Singh Dev of Dhrangadhra : Independent Director 3 Mr. Bakul Jain : Managing Director</p>
3	Average net profit of the company for last three financial years (Amount in crores)	88.05
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above (Amount in crores)	1.76
5.	Details of CSR spent during the financial year. (1) Total amount to be spent for the financial year.	1.76
	(2) Amount unspent , if any; (Amount in crores)	1.12

**(3) Manner in which the amount spent during the financial year is detailed below :**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. 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 the projects or programs  Sub-heads (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Provision of Food, pure drinking water facility	Eradicating, hunger, poverty and malnutrition, promoting preventive health care and sanitation.	Projects and programs were undertaken in the areas around where the Company's manufacturing operations are being carried out i.e. in Sahupuram, Tuticorin District, Tamilnadu and at Dhrangadhra, Surendranagar District, Gujarat Sahupuram Dhrangadhra		3,99,000/- 5,08,748/-	3,99,000/- 5,08,748/-	Direct Direct
2	promoting "Education and "vocational skills" and "livelihood enhancement"	Promoting education, including special education and employment enhancing vocation skills specially among children, women, elderly and the differently abled and livelihood enhancement projects	Sahupuram  Dhrangadhra		3,59,200/-  7,06,369/-	3,59,200/-  7,06,369/-	Direct  Direct
3	Environmental sustainability, ecology balance,	Ensuring environmental sustainability, ecology	Sahupuram  Dhrangadhra		17,48,000/-  15,70,876/-	17,48,000/-  15,70,876/-	Direct  Direct

	animal welfare etc.	balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.					
4	"protection of old temples of historical importance	Protection of natural heritage, art and culture including restoration and buildings and sights of historical importance and works of art .	Sahupuram Dhrangadhra		20,000/- 11,000/-	20,000/- 11,000/-	Direct Direct
5	Contribution towards armed forces	Measurers for the benefit of armed forces veterans, war widows and their dependents	Sahupuram		30,000/-	30,000/-	Direct
6	Donation of sports accessories	Training to promote rural sport, Nationally recognized sports and olympic sports.	Sahupuram		70,000/-	70,000/-	Direct
7	Rural Development	Rural Development projects.	Sahupuram Dhrangadhra		8,62,000/- 75,000/-	8,62,000/- 75,000/-	Direct Direct
				<b>TOTAL</b>	<b>63,60,193/-</b>	<b>63,60,193</b>	

6 In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

Being the first year of CSR activit by the Company, there are certain projects under final consideration for implementation and the Company is making all the efforts to meet its commitment under CSR eventhough considering losses incurred by the Company during the year of implementation i.e. financial year 2014-15..

7. In terms of para 7 of the Annexure '2' Cos. (Corporate Social Responsibility Policy) Rules 2014. the CSR Committee states that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the company.

Sd/-  
P.K., Jain  
Chairman & Managing Director  
& Chairman of CSR Committee

Sd/-  
Sodhsal Singh Dev of Dhrangadhra  
Independent Director & Member of CSR Committee



# ANNEXURE TO DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

## A. MANDATORY REQUIREMENTS

### 1. Company's philosophy on Code of Corporate Governance:

The Company believes in the practice of good Corporate Governance. A continuous process of delegation of powers commensurate with accountability coupled with trust, faith and transparency has been embedded in the day to day functioning. The Company will endeavor to improve on these aspects on an ongoing basis. The Company will endeavour to improve on these aspects on an ongoing basis. We understand that Corporate Governance is a continuous journey and not a destination.

### Corporate Ethics:

The Company adheres to highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings.

### Code of Conduct for Board Members and Senior Management

The Board of Directors has adopted the Code of Conduct for its Members and Senior Management. The Board highlights Corporate Governance as the cornerstone for the sustained management performance, for serving all the stakeholders and for instilling pride in its business dealings.

The Code is applicable to all the Directors and specified Senior Management Executives. The Code impresses upon the Directors and senior Management Executives to uphold the interest of the Company and its Stakeholders and endeavors to fulfill the fiduciary obligation towards them. The Code also mandates that Directors and Senior Management Executives would uphold highest standard of integrity, honesty, ethical conduct and fairness in their dealings and shall exercise utmost good faith, due care and integrity in performing their duties. The Code of Conduct is posted at Company's website at ([www.dcwlimited.com](http://www.dcwlimited.com))

### b. Code of Conduct for prevention of Insider Trading:

The Company has adopted a Code of Conduct for prevention of insider trading for its Directors, Key Managerial Personnel & Designated Employees. The Code lays down the guidelines and procedures to be followed, disclosures to be made while dealing with the shares of the Company. The Company Secretary has been appointed as the Compliance officer, and is responsible for adherence to the Code. The Code of Conduct for prevention of Insider Trading is also available on the website of the Company.

## 2. Board of Directors:-

### Size of the Board

The Board of Directors of the Company consists of 8 Directors.

### Composition, category and their attendance at the Board meetings during the year and at the last Annual General Meeting and also the number of other Directorships / Memberships of Committees are follows:

Category of Directorship	Name of the Director	Attendance Particulars at the		Other Directorships	Other Committee	
		Board Meetings	Last AGM		Memberships	Chairman ships
Promoter/ Executive Directors	Shri Pramod Kumar Jain (Chairman and Managing Director)	6	Yes	2	-	-
	Shri Bakul Jain (Managing Director)	6	No	2	-	1
	Shri. Mudit Jain (Managing Director)	4	No	1	-	-
	Shri Vivek Jain (Managing Director)	6	No	1	-	-

Category of Directorship	Name of the Director	Attendance Particulars at the		Other Directorships	Other Committee	
		Board Meetings	Last AGM		Memberships	Chairmanships
Non Executive and Independent Directors	Shri Salil Kapoor	3	No	-	-	-
	Shri Sodhsal Singh Dev of Dhrangadhra *	5	Yes	-	-	-
	Ms Sujata Rangnekar	6	No	-	-	-
	Shri D. Ganapathy	6	Yes	-	2	-

\*Shri Sodhsal Singh Dev of Dhrangadhra is holding 55000 Equity Shares of the Company

**No. of Board Meetings held during the year along with the dates of the meeting:**

During the year six Board Meetings were held on:

19.05.2014, 18.06.2014, 08.08.2014, 12.11.2014, 13.02.2015 and 28.03.2015

The Company placed before the Board the Annual Budget, Performance of various units and other information from time to time as specified in Annexure X of the Listing Agreement.

**Committees**

The Board has constituted following committees :

**A. Audit Committee**

**Terms of Reference :**

The terms of reference of this Committee cover the matters as specified for Audit Committees under Clause 49 of the Listing Agreement and also as per the provisions of Section 177 of the Companies Act, 2013

**Composition, name of Members and Chairperson:**

The Audit Committee comprises 3 Non-Executive Independent Directors. Shri Sodhsal Singh Dev of Dhrangadhra is the Chairman of this Committee. Shri D. Ganapathy and Ms. Sujata Rangnekar are the other members of the Committee.

**Meetings and Attendance during the year:**

The Committee met 4 times during the year and the attendance of the Members at these meetings was as follows:

Dates of Meetings	Shri.D. Ganapathy	Shri Sodhsal Singh Dev of Dhrangadhra	Ms.Sujata Rangnekar
19.05.2014	Yes	Yes	Yes
08.08.2014	Yes	Yes	Yes
12.11.2014	Yes	Yes	Yes
13.02.2015	Yes	Yes	Yes

**B. Nomination and Remuneration Committee:**

**Terms of Reference :**

The terms of reference of this Committee cover the matters as specified for Nomination and Remuneration Committees under Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

**Composition, Name of Members and Chairperson:**

The Remuneration Committee comprises 3 Non-Executive Independent Directors. Shri Sodhsal Singh Dev of Dhrangadhra is the Chairman of this Committee Ms. Sujata Rangnekar and Shri D. Ganapathy are the other members of the Committee.

### Attendance during the year:

The Committee met 2 time during the year and the attendance of the Members at that meeting was as follows:

Dates of Meetings	Ms. Sujata Rangnekar	Shri Sodhsal Singh Dev of Dhrangadhara	Shri. D. Ganapathy
19.05.2014	yes	yes	yes
28.03.2015	Yes	No	Yes

### Remuneration Policy:

The Remuneration of Managing Directors is approved by the Nomination and Remuneration Committee and also by the Board (subject to the subsequent approval by the Shareholders at the general body meeting and such other authorities as the case may be). The remuneration is fixed considering various factors such as qualification, experience, expertise and prevailing remuneration in the corporate world, financial position of the Company etc. The remuneration Structure comprises Salary, Perquisites, Commission and Contribution to Provident Fund, Super-Annuation Fund and other funds in accordance with the provisions of the Companies Act, 12013. Each of the Non-Executive Directors are entitled for commission aggregating not more than 1% of the net profits of the Company in a financial year subject to a maximum of Rs. 3,00,000/- per Director as approved by the members of the Company at the Extra- Ordinary General Meeting held on December 19, 2013 besides the sitting fees for meetings of the Board and its committees attended by them

Details of the remuneration paid to the Directors for the Financial year 2014-2015 is given below :

Directors	Salary (Rs.)	Benefits (Rs.)	Contri. to Provi. Fund & Other funds (Rs.)	Commission (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Shri Pramod Kumar Jain	10521732	NIL	2840868	NIL	NIL	1,33,62,600
Shri Bakul Jain	10521732	NIL	2840868	NIL	NIL	1,33,62,600
Shri Mudit Jain	10521732	NIL	2840868	NIL	NIL	1,33,62,600
Shri Vivek Jain	10521732	NIL	2840868	NIL	NIL	1,33,62,600
Shri Sodhsal Singh Dev of Dhrangadhra	NIL	NIL	NIL	NIL	90,000	90,000
Shri Salil Kappor	NIL	NIL	NIL	NIL	30,000	30,000
Ms. Sujata Rangnekar	NIL	NIL	NIL	NIL	1,00,000	1,00,000
Shri D. Ganapathy	NIL	NIL	NIL	NIL	1,00,000	1,00,000

Each of the Managing Director are entitled for commission @ 25% of the difference between 10% of the net profits as computed under Section 198 of the Companies Act, 2013, in a financial year and the aggregate of the salary and perquisites and benefits paid to all the Managing Directors in that year subject to the overall ceilings stipulated in Sections 197 of the Companies Act, 2013.

The appointments of Managing Directors are contractual and are for a period of 3 years.

The appointment of the Managing Directors may be terminated by either party by giving a six-month notice.

No severance fee is payable on termination of appointment.

Presently the Company does not have any Scheme for grant of any stock option either to the Directors or to the employees.

### Stakeholders Relationship committee:

The Board has rechristened Shareholders'/Investors Grievance Committee as Stakeholders Relationship Committee in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The terms of reference of the shareholders'/investors Grievance Committee was conferred on the Stakeholders Relationship Committee.

Shri. D. Ganapathy, Independent Director is the Chairperson of the Stakeholders ' Relationship Committee.





Ms. Jigna Karnick, Deputy Company Secretary is the Compliance Officer of the Company.

There were 43 complaints received from the shareholders during the year.

All the Complaints were resolved satisfactorily.

There were no pending complaints as on 31.03.2015.

## 6. General Body Meetings

### i. Location and time where last 3 Annual General Meetings were held: -

Year	Location	Date	Time	No. of Special Resolutions Passed
2011-12	Dhrangadhra, Gujarat	28.09.2012	10.00 a.m.	2
2012-13	Dhrangadhra, Gujarat	12.09.2013	10.00 a.m.	1
2013-14	Dhrangadhra, Gujarat	13.08.2014	10.00 a.m.	13

- ii No Special Resolution has been passed last year through postal ballot.
- ii. No Special Resolution is proposed to be conducted through postal ballot.

## 7. Disclosures

1. During the year, there were no transactions of material nature with the Promoters, Directors or the management or relatives etc. that may have potential conflict with the interest of the Company at large.

During the last three years, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any other statutory authority for non-compliance of any matter related to the Capital Market.

### Whistle Blower Policy

The Company has in existence a system for the employees to report about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and no personnel has been denied access to the Audit Committee.

## 8. Means of Communication

**Quarterly results :** The Company's quarterly results are published in 'Financial Express'/Business Standards' in all editions including the Gujarati Edition published from Ahmedabad. and also are displayed on its website ([www.dcwlimited.com](http://www.dcwlimited.com)). These are not sent individually to the shareholders.

There were no presentations made to the Institutional Investors or to the Analysts.

### Selection of Independent Directors:

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Human Resources, Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision. Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

### Role of the Company Secretary in overall governance process:

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

### **Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India :**

The Institute of Company Secretaries of India (ICSI), one of India's premier professional bodies, has issued Secretarial Standards on important aspects like Board meetings, General meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of Common Seal and Board's Report. Although these standards, as of now, are recommendatory in nature, the Company substantially adheres to these standards voluntarily.

### **Recording minutes of proceedings at Board and Committee meetings:**

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

### **Post meeting follow-up mechanism:**

The guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees thereof. Important decisions taken at Board/Board Committee meetings are communicated promptly to the concerned departments/divisions. Action-taken report on decisions/minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Board Committee for noting.

### **Compliance:**

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 1956/Companies Act, 2013 read with rules issued there under, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

### **General Shareholders information**

#### **ANNUAL GENERAL MEETING:**

Day & Date	:	August 27, 2015
Time	:	10.00 A.M.
Venue	:	at the Registered Office (at Guest House No.2), Dhrangadhra, Gujarat - 363 315
Financial calendar	:	April 2014 - March 2015:
Date of Book closure	:	18th August, 2015 to 27th August, 2015. (both days inclusive).
Divident Payment Date	:	No dividend is paid for the year.

### **Listing on Stock Exchanges:**

The Company's shares are listed with the following Stock Exchanges: -

- The Bombay Stock Exchange - Phiroze Jeejeebhoy Towers, (BSE)  
Dalal Street, Mumbai 400 023
- National Stock Exchange of - Exchange Plaza Bldg., India Limited (NSE)  
5th Floor, Plot No. C- 1,  
'G' Block, Bandra- Kurla Complex,  
Near Wockhardt, Mumbai 400 051

Annual Listing fees as prescribed has been paid to the above Stock Exchanges for the year 2015 - 2016.

GDRs of the Company are listed with the Luxembourg Stock Exchange

Stock Code	:	500117 (BSE) DCW (NSE)
Demat ISIN Nos.	:	INE 500A01029 (Fully Paid)
Share Transfers and other Communications may be	:	Bigshare Services Pvt. Ltd., Unit DCW Ltd.,



Addressed to

E/2&3, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (East),  
Mumbai 400 072.  
Tel.: 91- 22 - 28470652, 40430200,  
28470653  
Fax.: 91-22-28475207  
Email : investor@bigshareonline.com

Investors' complaints may be :  
Addressed to

Dy. Company Secretary  
DCW Limited  
Nirmal, 3rd floor,  
Nariman Point,  
Mumbai - 400 021

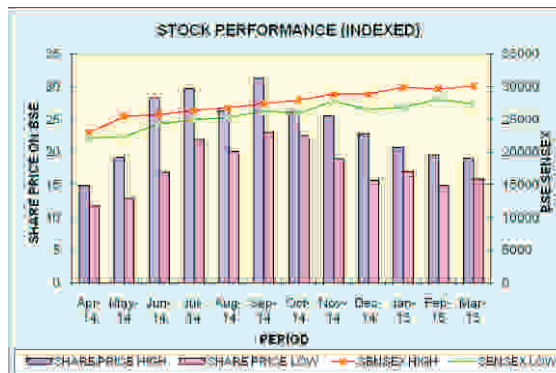
**Market price data**

**High / Low During each month in last Financial year : 2014-15**

Month / Year	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2014	14.53	11.97	14.87	11.8
May, 2014	18.29	13.01	19.17	12.9
June, 2014	27.2	17.07	28.3	16.85
July, 2014	28.96	22.93	29.7	21.9
August, 2014	25.98	21.57	26.3	20.15
September, 2014	30.33	23.8	31.25	23
October, 2014	25.44	23.28	26.1	22.5
November, 2014	25.02	19.53	25.55	19
December, 2014	22.04	16.34	22.75	15.65
January, 2015	19.9	17.37	20.65	17
February, 2015	19.09	15.73	19.5	14.85
March, 2015	18.6	16.41	19.05	15.8

**Stock Performance (Indexed) :**

The performance of the Company's shares relative to BSE Sensex is given in the chart below :



### Registrar and Share Transfer Agents:

The Company has appointed Bigshare Services Pvt. Ltd., E/2& 3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai - 400 072 as Registrars and Share Transfer Agents of the Company.

Our RTA, Bigshare Services Private Limited has Gen-Next Investor Interface Module "i'Boss" the most advanced tool to interact with investors. Please login into "i'Boss" ([www.bigshareonline.com](http://www.bigshareonline.com)) and help them to serve you better.

### Distribution of Shareholding as on 31.03.2015:-

Range	No. of Shareholders	% of Shareholders	Total No. of Shares held	% of Total Capital
1 - 5000	50683	91.80	24080280	11.28
5001 - 10000	2484	4.50	9558772	4.48
10001 - 20000	1058	1.92	8017311	3.75
20001 - 30000	342	0.62	4270937	2.00
30001 - 40000	176	0.32	3240389	1.51
40001 - 50000	102	0.18	2375933	1.11
50001 - 100000	181	0.32	6665316	3.12
100001 - above	784	0.33	155285719	72.75
<b>Total</b>	<b>55810</b>	<b>100</b>	<b>213494657</b>	<b>100</b>

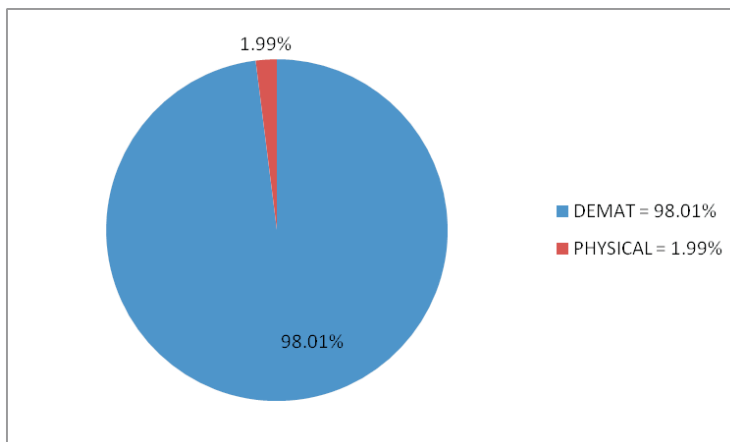
The Company's shares are traded in the Stock Exchanges compulsorily under demat mode. All the applications received for transfer of physical shares are approved by the Share Transfer Committee, which normally meets twice in a month depending on the volume of transfers. Share transfers are registered and returned normally within 15 days from the date of lodgement, if documents are complete in all respects.

### Shareholding Pattern as on 31.03.2015

	Category of Shareholder	No. of Shares held	Percentage of Shareholding
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>		
<b>1</b>	<b>Indian</b>		
(a)	Individuals/ Hindu Undivided Family	4,71,30,784	22.08
(b)	Central Government/ State Government(s)	-	-
(c)	Bodies Corporate	5,48,06,190	25.67
(d)	Financial Institutions/ Banks	-	-
(e)	Any Others (Specify)	-	-
	<b>Sub Total (A)(1)</b>	<b>10,19,36,974</b>	<b>47.75</b>
<b>2</b>	<b>Foreign</b>	-	-
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A)(2)</b>	<b>10,19,36,974</b>	<b>47.75</b>

<b>(B)</b>	<b>Public shareholding</b>		
<b>1</b>	<b>Institutions</b>		
(a)	Mutual Funds/ UTI	18,705	0.01
(b)	Financial Institutions / Banks	6,05,242	0.28
(c)	Central Government/ State Government(s)	-	-
(d)	Venture Capital Funds	-	-
(e)	Insurance Companies	83,66,415	3.92
(f)	Foreign Institutional Investors	1,55,70,377	7.29
(g)	Foreign Venture Capital Investors	-	-
(h)	Any Other (specify)	-	-
(h-i)	Foreign Banks	42,225	0.02
	<b>Sub-Total (B)(1)</b>	<b>2,46,02,964</b>	<b>11.52</b>
<b>B 2</b>	<b>Non-institutions</b>		
(a)	Bodies Corporate	1,10,74,074	5.19
(b)	Individuals	6,55,14,907	30.69
(c)	Any Other (specify)	-	-
(c-i)	Clearing Member	5,35,056	0.25
(c-ii)	NRI	13,40,864	0.63
(c-iii)	OCBs	57,60,218	2.70
(c-iv)	Trust	20,850	0.01
	<b>Sub-Total (B)(2)</b>	<b>8,42,45,969</b>	<b>39.37</b>
<b>(B)</b>	<b>Total Public Shareholding</b>		
	<b>(B) = (B)(1) + (B)(2)</b>	<b>10,88,48,933</b>	<b>50.98</b>
	<b>TOTAL (A) + (B)</b>	<b>21,07,85,907</b>	<b>98.73</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>	<b>27,08,750</b>	<b>1.27</b>
	<b>GRAND TOTAL (A) + (B) + (C)</b>	<b>21,34,94,657</b>	<b>100.00</b>

**Dematerialisation of shares: 209250211** Equity shares held by **49072** Shareholders comprising 98.01% of the paid up Share Capital have been dematerialised as on 31st March, 2015.



**For queries on Annual Report:** legal@dcwltd.com

**For queries in respect of shares in physical mode:** investor@bigshareonline.com

Outstanding GDRs / ADRs / Warrants / convertible instruments etc.:

Outstanding GDRs as on 31st March, 2015 represent 2,773,750 shares (1.32%).

Apart from those mentioned above, there are no further outstanding instruments, which are convertible into equity in the future.

Plant Location : Given in the 1st page of this Annual Report

Address for correspondence : DCW Limited, Nirmal, 3rd floor,  
Nariman Point, Mumbai - 400 021

#### **DCW Code of Conduct:**

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct is posted on the website of the Company.

A declaration signed by the Chairman & Managing Director of the Company is given below :

I hereby confirm that the Company has obtained from all the members of the Board and Sr. Management Personnel, affirmation that they have complied with the code of conduct for the Directors and Sr. Management Personnel in respect of the financial year 2014- 2015.

Mumbai  
May 23, 2015

**Shri P. K. Jain**  
**Chairman & Managing Director.**

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended, the Board of Directors of the Company formulated DCW Code of Conduct for the prevention of Insider Trading in the shares of the Company by its Directors and designated employees. The Code, inter-alia, prohibits purchase / sale of shares of the Company by the Directors and designated employees, while in possession of unpublished price sensitive information in relation to the Company. A system has been put in place and Directors / Designated Employees and their dependents have been advised to take pre-clearance before purchase / sale of the Company's shares.

#### **Compliance with Mandatory Requirements:**

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges.

#### **Compliance with Non-Mandatory Requirements :**

##### **(1) The Board :**

The Company has an Executive Chairman and hence the requirement pertaining to reimbursement of expenses to a Non-Executive Chairman does not arise.

##### **(2) Shareholders' Rights:**

As the Company's Quarterly results are published in English Newspapers having circulation all over India and in a Gujarati Newspaper circulated in Gujarat, the same are not sent to each household of shareholders.

##### **(3) Audit qualification :**

The Company move towards a regime of unqualified financial statements.

##### **(4) Separate posts of Chairman and CEO :**

Presently the Company has a Chairman & Managing Director.

##### **(5) Reporting of Internal Auditor**

Internal Auditors reports directly to the Audit Committee.



### **Transfer to Investor Education And Protection Fund**

The Company has transferred a sum of Rs.7,50,065 (Rs. 4,94,175 on 19/6/2014 and Rs.2,55,890 on 18/9/2014) during the financial year 2014-15 to the Investor Education and Protection Fund established by the Central Government, in compliance with Section 205C of the Companies Act, 1956. The said amount represents unclaimed dividends which were lying with the company for a period of seven years from their respective due dates of payment. Prior to transferring the aforesaid sum the company has sent reminders to the shareholders for submitting their claims for unclaimed dividend.

### **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the company has adopted a Code of Conduct for its employees including the Managing Directors and Executive Directors. In addition, the Company has adopted a Code of Conduct for its non- Executive Directors and Independent Directors. These Codes are available on the Company's Website

I confirm that the Company has in respect of the year ended March 31, 2014 received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, employees in the Manager cadre and the Company Secretary as on March 31, 2015

Mumbai  
May 23, 2015

P. K. Jain  
Chairman & Managing Director

### **CERTIFICATE ON CLAUSE 49 COMPLIANCE**

#### **To the Members of: DCW LIMITED**

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges of India, for the financial year ended 31st March, 2015.

The compliance of the 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 with the condition of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

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

Based on such a review, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said Listing Agreements.

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

#### **For S. K. Jain & Co., Practicing Company Secretaries**

(S. K. Jain)  
C. P. 3076

Place: Mumbai  
Date: May 23, 2015

# Balance sheet

## As at 31st March 2015



	AS AT 31/03/2015 US\$ in Millions*	AS AT 31/03/2014 US\$ in Millions#
<b>EQUITY AND LIABILITIES :</b>		
<b>Shareholders funds :</b>		
Capital	6.83	7.00
Reserves & surplus	82.78	85.88
<b>Non-current liabilities</b>		
Long-term borrowings	90.78	98.11
Deferred tax liabilities (Net)	18.35	19.35
Long-term provisions	1.77	1.62
Other Long term Liabilities	4.00	-
<b>Current liabilities</b>		
Short-term borrowings	18.02	2.41
Trade payable	47.01	63.21
Other current liabilities	25.88	19.32
Short-term provisions	-	1.90
<b>TOTAL</b>	<b>295.42</b>	<b>298.80</b>
<b>ASSETS :</b>		
<b>Non-current assets</b>		
<b>Fixed Assets</b>		
Tangible assets	101.61	110.38
Capital work in progress	135.91	119.83
Non-current investments	0.01	0.05
Long-term loans and advances	3.42	2.90
Othe non-current assets	1.13	1.85
<b>Current Assets</b>		
Inventories	26.50	33.99
Trade receivables	15.13	15.75
Cash and Bank balances	0.92	0.57
Short-term loans and advances	10.79	13.48
<b>TOTAL</b>	<b>295.42</b>	<b>298.80</b>

\* One US\$ = Rs. 62.50

# One US\$ = Rs. 59.91





## Profit & Loss Accounts FOR THE YEAR ENDED 31ST MARCH 2015

	For the year ended 31/03/2015 US\$ in Millions*	For the year ended 31/03/2014 US\$ in Millions#
<b>Revenue from operations</b>	221.44	243.60
Less : Excise Duty	20.72	22.34
<b>Revenue from operations, (net)</b>	<b>200.72</b>	<b>221.26</b>
Other Income	0.30	0.22
<b>Total Revenue</b>	<b>201.02</b>	<b>221.48</b>
<b>Expenses :</b>		
Cost of Material consumed	103.88	116.20
Purchase of stock-in-trade	0.01	0.37
Changes in inventories of finished goods, work-in progress and stock- in- trade	6.51	(3.05)
Excise duty on inventory differential	0.22	(0.34)
Employee benefits expense	14.75	13.80
Finance costs	2.99	4.51
Depreciation	8.32	8.52
Other Expenses	64.99	72.76
<b>Total Expenses</b>	<b>201.67</b>	<b>212.77</b>
<b>Profit before exceptional and extraordinary items and tax</b>	<b>(0.65)</b>	<b>8.71</b>
Exceptional Items	(0.10)	-
<b>Profit before extraordinary items and tax</b>	<b>(0.75)</b>	<b>8.71</b>
Extraordinary Items	-	-
<b>Profit before tax</b>	<b>(0.75)</b>	<b>8.71</b>
<b>Tax Expense :</b>		
Current tax	-	1.84
Mat credit available for setoff	0.34	(0.14)
Deferred tax	(0.20)	0.83
Tax Adjustments in respect of earlier years	0.05	(0.14)
<b>Profit for the period from continuing operations</b>	<b>(0.94)</b>	<b>6.32</b>
<b>Profit from discontinuing operations</b>	-	-
Tax expense of discontinuing operations	-	-
<b>Profit from discontinuing operations after tax</b>	-	-
<b>Profit for the period from continuing operations</b>	<b>(0.94)</b>	<b>6.32</b>

\* One US\$ = Rs. 62.50

# One US\$ = Rs. 59.91

# Key Financial Data



	2014 - 2015		2013 - 2014	
	Rs. In Millions <sup>1</sup>	US \$ in Millions <sup>1*</sup>	Rs. In Millions <sup>1</sup>	US \$ in Millions <sup>1#</sup>
Gross Sales	13,839.80	221.44	14,593.78	243.60
Fixed Assets - Gross Block	11,854.76	189.68	11,611.62	193.82
Net Block	6,350.73	101.61	6,612.70	110.38
Export Earnings	1,522.60	24.36	2,233.56	37.28
Earning Before Depreciation and Interest	659.24	10.55	1,302.43	21.74
Interest	186.87	2.99	270.30	4.51
Earnings Before Depreciation	472.37	7.56	1,032.13	17.23
Depreciation	520.02	8.32	510.19	8.52
Earnings Before Tax	(47.66)	(0.76)	521.94	8.71
<b>Taxation</b>				
Current	-	-	110.78	1.85
MAT Credit available for set off / utilized	21.17	0.34	(8.46)	(0.14)
Deferred Tax	(12.22)	(0.20)	49.48	0.83
Tax Adjustments in respect of earlier years	2.61	0.04	(8.66)	(0.14)
Earnings After Tax	(59.22)	(0.95)	378.80	6.32
No. of shares of Rs.2/- each (Million Nos.) @	213.50	213.50	209.80	209.80
Earnings per Shares ( Rs. / US \$ )	(0.28)	(0.00)	1.81	0.03
Net Worth (Excl.Revaluation Reserve)	5,528.62	88.46	5,487.84	91.60
Book value per share	25.90	0.41	26.16	0.44
Gross profit to sales (%)	3.41	3.41	7.07	7.07
(Earnings Before Depreciation)				
Interest coverage Ratio	3.53	3.53	4.82	4.82
Debt / Equity	1.39:1	1.39:1	1.20:1	1.20:1
Current Assets / Current Liabilities	0.59	0.59	0.73	0.73

\* 1 US \$ = Rs. 62.50

# 1 US \$ = Rs.59.91



# INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2015

TO THE MEMBERS OF DCW LIMITED

## Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of DCW LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and 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

2. 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.
3. 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

4. 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.
5. 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 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.
6. 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

7. 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 loss and its cash flows for the year ended on that date.

## Emphasis of Matter

8. We draw attention to Note 38 to the financial statements which describes the uncertainty related to the outcome of the petitions/appeals filed by the company in the matter of retrospective legislation and electricity tax demand of Rs.3568.70 lacs on captive power generated during the period 2003-2012 and in the matter of customs duty demand of Rs.2961.65 lacs on coal imported by the company during 2011 and 2012 respectively and hence have not been provided. Our opinion is not qualified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

9. 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, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
10. 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 and 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 Notes 30 and 38 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 - Refer Note 35(c) to the financial statements;
- iii) there have been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For V. SANKAR AIYAR & CO.  
Chartered Accountants  
(Firm Registration No.109208W)

Place: Mumbai  
Date: 23rd May, 2015

(S. Venkatraman)  
Partner  
Membership No.34319

**ANNEXURE REFERRED TO IN THE AUDITOR'S REPORT  
TO THE MEMBERS OF DCW LIMITED ON THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2015**

- i. (a) The company has maintained proper records showing particulars including quantitative details and situation of Fixed Assets.
- (b) We are informed that the fixed assets have been physically verified by the Management with the assistance of external agencies during the year. In our opinion the frequency of verification is reasonable. As per the information given to us by the management, no material discrepancies as compared to book records were noticed in respect of the fixed assets verified during the year.
- ii. (a) The inventories of finished goods (except goods lying with consignees and in transit), stores, spare parts and raw materials (except coal stock lying with outside party and stocks in transit) have been physically verified by the management with the help of external agencies. In our opinion, the frequency of physical verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) In our opinion, the company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book stocks were not material and have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us, the company has not granted any loans 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 explanation that for purchase of certain raw materials, stores, components, and fixed assets, alternative sources of supply are limited with reference to quality, delivery schedules, credit period and some of the items purchased are of special nature, and hence comparable alternative quotations are not available for these, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventories and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of clause (v) of the para 4 of the Order are not applicable to the company.
- vi. The Central Government has prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of certain products manufactured in the company. We have broadly reviewed the records maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
- vii. (a) According to the records of the company, the company is generally regular in depositing undisputed statutory dues payable including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and other statutory dues with appropriate authorities.  
  
According to the information and explanations given to us, no undisputed amounts in respect of the aforesaid statutory dues were in arrears, as at 31st March, 2015, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the company, the dues of sales tax / income tax / customs duty / wealth tax / service tax / excise duty / value added tax/ cess, which have not been deposited on account of any dispute are as follows:-

(Amount in Rs. lacs)

Name of the Statute/ Nature of Dues	Period	Forum where dispute is pending					
		Supreme Court	High Court	Appellate Tribunal*	Appellate Authority **	State Government	Grand Total
Customs Act, 1962 (Custom Duty Including Penalty & Interest, wherever applicable)	1997 to 2015	-	-	4581.56	-	-	4581.56
Central Excise Act, 1944 (Excise Duty Including Penalty & Interest, wherever applicable)	1997 to 2015	-	82.50	384.76	90.54	-	557.80
Sales Tax legislations (sales tax, including penalty & interest wherever applicable)	1982 to 2015	-	3.57	534.90	959.32	1696.71	3194.50
Service Tax	2005 to 2015	-	-	-	39.17	-	39.17
Local cess, local cess surcharge [land revenue including penalty and interest wherever applicable]	1989 to 2015	-	275.45	-	-	12.49	287.94
<b>GRAND TOTAL</b>		-	<b>361.52</b>	<b>5501.22</b>	<b>1089.03</b>	<b>1709.20</b>	<b>8660.97</b>

\* Appellate Tribunal includes STAT, CESTAT & ITAT

\*\* Appellate Authority includes Commissioner Appeals, Assistant Commissioner Appeals, Deputy Commissioner Appeals, Joint Commissioner Appeals and Deputy Commissioner Commercial Taxes Appeals

(c) According to the information and explanation given to us, the amount required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act 1956 and rules made thereunder have been transferred by the Company to the fund within time.

- viii. The company does not have any accumulated losses at the end of the financial year. The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix. On the basis of verification of records and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Banks/Financial Institutions. The company has not raised any monies against issue of debentures.
- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institution.
- xi. In our opinion, the term loans taken during the year have, prima facie, been applied for the purpose for which they were raised.
- xii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, no material fraud on or by the company has been noticed or reported during the course of our audit.

For V. SANKAR AIYAR & CO.  
Chartered Accountants  
(Firm Registration No.109208W)

Place: Mumbai  
Date: 23rd May, 2015

(S. Venkatraman)  
Partner  
Membership No.34319

# BALANCE SHEET

## As At 31st March, 2015



	Note	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>EQUITY AND LIABILITIES</b>			
Share Capital	2	4,269.89	4,195.82
Reserves and Surplus	3	51,739.40	51,451.82
<b>Subtotal - Shareholders' funds</b>		<b>56,009.29</b>	<b>55,647.64</b>
<b>Non-current liabilities</b>			
Long-term borrowings	4	56,739.65	58,777.84
Deferred tax liabilities (net)	5	11,467.87	11,590.06
Long-term provisions	6	1,104.74	969.83
Other Long term liabilities (Refer note 32(e))		2,500.00	-
<b>Subtotal - Non Current liabilities</b>		<b>71,812.26</b>	<b>71,337.73</b>
<b>Current liabilities</b>			
Short-term borrowings	7	11,263.94	1,443.23
Trade payable	8	29,383.85	37,867.79
Other current liabilities	9	16,166.40	11,574.34
Short-term provisions	10	-	1,138.66
<b>Subtotal - Current liabilities</b>		<b>56,814.19</b>	<b>52,024.02</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>184,635.74</b>	<b>179,009.39</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets	11	63,507.31	66,127.04
Capital work in progress		84,946.69	71,792.87
Non-current investments	12	5.10	32.39
Long-term loans and advances	13	2,134.43	1,737.57
Other non-current assets	14	704.42	1,109.48
<b>Subtotal - Non current assets</b>		<b>151,297.95</b>	<b>140,799.35</b>
<b>Current assets</b>			
Inventories	15	16,559.74	20,361.32
Trade receivables	16	9,458.13	9,431.08
Cash and bank balances	17	573.15	341.28
Short-term loans and advances	18	6,746.77	8,076.36
<b>Subtotal - Current assets</b>		<b>33,337.79</b>	<b>38,210.04</b>
<b>TOTAL</b>		<b>184,635.74</b>	<b>179,009.39</b>
Summary of Significant Accounting Policies	1		
Other Notes to the financial statements	30-45		

As per our Report attached.  
For V.Sankar Aiyar & Co.  
Chartered Accountants  
FRN No. 109208W  
S.Venkatraman  
Partner  
Membership No. 34319  
Place: Mumbai  
Date: 23 May, 2015

Jigna Karnick  
Dy. Company Secretary

For and on behalf of the board  
Pramod Kumar Jain  
Chairman & Managing Director  
Bakul Jain  
Vivek Jain  
Mudit Jain  
Managing Directors  
Vimal Jain  
Chief Financial Officer



## PROFIT AND LOSS FOR THE YEAR ENDED 31st March 2015

	Note	For the year ended 31/03/2015 Rs. in lacs	For the year ended 31/03/2014 Rs. in lacs
<b>Revenue from Operations</b>	19	<b>138,397.98</b>	145,937.84
Less : Excise Duty		<b>12,951.15</b>	13,382.63
Revenue from Operations, (net)		<b>125,446.83</b>	132,555.21
Other Income	20	<b>184.89</b>	131.42
<b>Total Revenue</b>		<b>125,631.72</b>	<b>132,686.63</b>
Expenses:			
Cost of materials consumed	21	<b>64,431.20</b>	69,579.49
Purchase of stock-in-trade	22	<b>7.22</b>	218.77
Changes in inventories of finished goods, work-in progress and stock-in-trade	23	<b>4,563.91</b>	(1,789.51)
Excise duty on inventory differential	24	<b>139.00</b>	(206.11)
Employee benefits expense	25	<b>9,216.25</b>	8,266.22
Finance costs	26	<b>1,868.72</b>	2,702.96
Depreciation	27	<b>5,200.17</b>	5,101.92
Other expenses	28	<b>40,621.63</b>	43,593.52
<b>Total Expenses</b>		<b>126,048.10</b>	<b>127,467.26</b>
Profit before exceptional, extraordinary items & tax		<b>(416.38)</b>	5,219.37
Exceptional Items	29	<b>60.16</b>	-
Profit before extraordinary items and tax		<b>(476.54)</b>	5,219.37
Extraordinary Items		-	-
Profit before tax		<b>(476.54)</b>	5,219.37
Tax expense:			
Current Tax		-	1,107.81
MAT Credit Utilised/ (Available for setoff)		<b>211.73</b>	(84.59)
Deferred tax		<b>(122.19)</b>	494.84
Tax Adjustments in respect of earlier years		<b>26.09</b>	(86.63)
Profit/(Loss)for the period from continuing operations		<b>(592.17)</b>	3,787.94
Profit / (Loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit / (Loss) for the period		<b>(592.17)</b>	3,787.94
Earning per equity share :			
Basic ( Face Value of Rs. 2/- each)		(0.28)	1.81
Diluted ( Face Value of Rs. 2/- each)		(0.28)	1.81
Summary of Significant Accounting Policies	1		
Other Notes to the Financial Statements	30-45		

As per our Report attached.  
For V.Sankar Aiyar & Co.  
Chartered Accountants  
FRN No. 109208W  
S.Venkatraman  
Partner

Membership No. 34319  
Place: Mumbai  
Date: 23 May, 2015

Jigna Karnick  
Dy. Company Secretary

For and on behalf of the board  
Pramod Kumar Jain  
Chairman & Managing Director  
Bakul Jain  
Vivek Jain  
Mudit Jain  
Managing Directors  
Vimal Jain  
Chief Financial Officer

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015



## Particulars

### A. Cash flow from operating Activities

Net profit before tax and extraordinary items  
Adjustments for :  
Non-cash items  
Depreciation and amortisation expense  
Unrealised foreign exchange loss/ (gain) (net)  
Finance Costs  
Interest income  
(Profit) / Loss on Sale of Asset  
Dividend income

Operating profit before working capital changes  
Adjustments for :

Trade and other receivables  
Inventories  
Trade and other payables

#### Cash generation from operations

Direct taxes paid  
Cash flow before Extraordinary item  
Extraordinary items

#### Net cash flow from operating Activities

### B. Cash flow from Investing Activities

Purchase of fixed Assets  
Sale of Fixed Assets  
Purchase / Sales of Investments  
Investment in Fixed Deposits pledged towards  
Margin Money  
Dividend Income  
Interest income  
Net cash used in investing Activities

### C. Cash from financing activities

Proceeds from issue of share capital  
Proceeds from Long-Term Borrowing  
Repayment of Long Term Borrowing  
Short Term Borrowing (Net)  
Finance Costs  
Dividend paid  
Tax on dividend  
Net cash used in financing Activities

#### Net increase in Cash and Cash equivalents

Cash & Cash Equivalents as at 1st April 2014

Cash & Cash Equivalents as at 31st March 2015

	2014-15 Rs in Lacs	2013-14 Rs in Lacs
	(476.54)	5,219.37
	5,200.17	5,101.92
	-	-
	1,868.72	2,702.96
	(35.68)	(49.07)
	(159.57)	65.88
	(3.29)	(6.24)
	6,870.35	7,815.45
	6,393.81	13,034.82
	1,372.16	456.51
	3,801.58	2,744.68
	(4,153.19)	8,846.12
	1,020.55	12,047.31
	7,414.36	25,082.13
	(554.29)	(1,912.02)
	-	23,170.11
	-	-
	<b>6,860.07</b>	<b>23,170.11</b>
	(15,980.44)	(32,655.30)
	77.01	52.69
	309.82	-
	(152.05)	32.29
	3.29	6.24
	35.68	49.07
	<b>(15,706.69)</b>	<b>(32,515.01)</b>
	1,000.00	26,908.80
	7,877.07	(8,273.89)
	(6,902.72)	(5,873.95)
	9,820.69	(2,682.03)
	(1,985.01)	(755.25)
	(755.25)	(128.39)
	(128.35)	-
	<b>8,926.43</b>	<b>9,195.29</b>
	<b>79.81</b>	<b>(149.61)</b>
	163.50	313.11
	243.31	163.50
	(79.81)	149.61

As per our Report attached.  
For V.Sankar Aiyar & Co.  
Chartered Accountants  
FRN No. 109208W  
S.Venkatraman  
Partner  
Membership No. 34319  
Place: Mumbai  
Date: 23 May, 2015

Jigna Karnick  
Dy. Company Secretary

For and on behalf of the board  
Pramod Kumar Jain  
Chairman & Managing Director  
Bakul Jain  
Vivek Jain  
Mudit Jain  
Managing Directors  
Vimal Jain  
Chief Financial Officer



# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015:

## NOTE NO. 1

### SIGNIFICANT ACCOUNTING POLICIES

#### 1. SYSTEM OF ACCOUNTING:

- a) The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.
- b) The financial statements have been prepared in all material respects with the Accounting Standards specified under Section 133 of the Co.'s Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- c) Financial statements are prepared on historical cost basis and as a going concern, adjusted for revaluation / diminution in value of certain fixed assets.

#### 2. USE OF ESTIMATES.

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.

#### 3. FIXED ASSETS AND DEPRECIATION:

##### A) Fixed Assets

Fixed Assets are stated at their original cost, net of Cenvat Credit where applicable (including expenses related to acquisition and installation) except certain Fixed Assets which are adjusted for revaluation.

##### B) Depreciation and Amortization

Depreciation is charged in the Accounts on straight line method as under:

- a) On assets revalued at Sahupuram Unit on 31-3-93 @ 3 % on the revalued cost based on revision in useful life estimated by the valuer of 33.33 years (Refer Note 11.1).
- b)

Assets Description	Useful Life(Years)
Continuous Process Plant	20
Cogeneration Power Plant	25
Electrical Installation Other than in Cogen Power Plant	15
Salt Works	1
Cars & Two Wheelers	5

as determined by a Chartered Engineer & Valuer.

- c) On fixed assets costing less than Rs. 5000/- each, at 100%
- d) On balance fixed assets of the company based on the useful life specified in Schedule II to the Companies Act, 2013.
- e) On fixed assets added/disposed of during the year, on pro-rata basis with reference to the month of addition/disposal.
- f) On Technical Know-how fees at 33.33%.

Residual value of the fixed assets are held at 5% except that of Furniture and fixtures and Office equipment at Re. 1 as estimated by the Chartered Engineer & Valuer.

#### 4. REVENUE RECOGNITION:

Revenue is recognized to the extent that it can be reliably measured and is probable that the economic benefit will follow to the company.

- a) Sales: Revenue from sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the customer and is stated net of trade discounts, excise duty, sales returns.
- b) Interest: Revenue is recognized on time proportion basis taking into account the outstanding amount and the applicable rate of interest
- c) Dividends: Revenue is recognized when the right to receive payment is established.

#### 5. EXPENDITURE DURING CONSTRUCTION AND ON NEW PROJECTS:

In the case of new projects and in the case of modernization/expansion of existing units, interest on borrowing for the same and all pre-operative expenditure, incurred during implementation up to the date of installation are included under Capital Work in Progress and capitalized by adding pro-rata to the cost of the assets.

#### 6. INVESTMENTS:

The Company's investments comprise long term and current investments. Long Term investments are stated at cost less permanent diminution, if any, in value. Current investments are stated at lower of cost or fair value.

#### 7. INVENTORIES:

Inventories are valued at lower of cost and net realizable. Stores, spares and stock in process and fuel are valued at lower of cost less provision for slow and non-moving inventory, if any, and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated

# NOTES FORMING PART OF THE BALANCE SHEET



are expected to be sold at or above cost. Scrap and by products which are valued at net realizable value. Cost is computed on weighted average basis and includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

## 8. ACCOUNTING FOR CENVAT AND SERVICE TAX CREDITS:

Cenvat credit available on Raw Materials, Fuel and Packing materials, stores, spares and Capital goods and Service tax credit on services availed are accounted for by reducing purchase cost of the related material or the expenses respectively and Cenvat Credit available on fixed assets is accounted by reducing the same from the cost of respective fixed assets.

## 9. FOREIGN CURRENCY TRANSACTIONS:

- a) Transactions in Foreign Currency are recorded at the exchange rates prevailing on the date of Transactions.
- b) Monetary items denominated in foreign currencies (such as cash receivables, payables, etc.) outstanding at the year end, are translated at exchange rate applicable as of that date.
- c) Non-monetary items denominated in foreign currency (such as investments, fixed assets, etc.) are valued at the exchange rate prevailing on the date of transaction.
- d) Any gains or losses arising due to exchange differences at the time of translation or settlement are accounted in the Profit & Loss Account, except as indicated in Note No 11.2 (Fixed Assets Schedule).
- e) Premium/discounts on forward exchange contracts are amortized over the life of the contract and recognized in the Profit and Loss account, exchange differences on such contracts are recognized in the profit and loss account in the reporting period in which the exchange rates change.

## 10. RESEARCH & DEVELOPMENT EXPENDITURE:

Revenue Expenditure on Research & Development is charged to Statement of Profit and Loss. Capital expenditure on Research & Development is shown as an addition to fixed assets.

## 11. BORROWING COSTS:

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

## 12. EMPLOYEE BENEFITS:

- a) Contributions to Provident fund are made to recognized funds and are charged to Profit & Loss Account. The interest rate payable by recognized Provident Fund shall not be lower than the statutory rate of interest declared by Central Government and shortfall, if any, shall be made good by the company.
- b) The Superannuation Fund is a Defined Contribution Scheme managed by LIC and SBI Life Insurance Company and contributions made to the fund are charged to Profit and Loss Account.
- c) The company has created an Employees' Group Gratuity Fund which has taken a Group Gratuity Assurance Scheme with the Life Insurance Corporation of India. The Gratuity liability is provided based on actuarial valuation arrived on the basis of projected unit credit method are determined at the end of each year.
- d) Liabilities towards Leave Encashment Benefit are provided for based on actuarial valuation done at the year end.
- e) Contribution to Employee Pension Scheme 1995, are accounted on accrual basis with corresponding remittance made to Government Provident Fund authority.

## 13. PROVISIONS & CONTINGENCIES:

- a. Show cause notices of Government Authorities are not considered as obligation till demand notices are issued against such show cause notices. The demand notices when issued are considered as disputed obligations.
- b. A provision arising out of a present obligation is recognized when it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated
- c. Wherever there is a possible obligation that may, but probably will not require an outflow of resources, the same is disclosed by way of contingent liability.

## 14. TAXES ON INCOME:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence as per Accounting Standard-22 (Accounting for taxes on income) on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only to the extent that there is timing difference, the reversal of which will result in sufficient income. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future.

## 15. IMPAIRMENT OF ASSET:

The carrying amount of assets are reviewed at each balance sheet date for indication of any impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount. Any such impairment loss is recognized by charging it to the profit and loss account. A previously recognized impairment loss is reversed where it no longer exists and the asset is restated to that effect.



## NOTES FORMING PART OF THE BALANCE SHEET

### NOTE "2"

#### SHARE CAPITAL

##### Authorised Capital

32,50,00,000 Equity Shares of Rs. 2/- each  
(Previous Year 32,50,00,000 Equity Shares @ Rs. 2/- each)

##### TOTAL

Issued, Subscribed and Fully paid up

21,34,94,314 Equity Shares of Rs. 2/- each  
(Previous Year 20,97,90,953 shares of Rs. 2/- each)

Face value per share

##### TOTAL

AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
6,500.00	6,500.00
<b>6,500.00</b>	<b>6,500.00</b>
4,269.89	4,195.82
Rs. 2/-	Rs. 2/-
<b>4,269.89</b>	<b>4,195.82</b>

- a) 2,36,10,000 Shares were issued and allotted on preferential basis to the promoter of the company and FII's during 2007-2008
- b) 1,36,36,363 & 37,03,361 Shares were issued and allotted to the promoters on conversion of warrants issued on preferential basis to promoters group during 2011-2012 & 2014-2015 respectively.
- c) Name of Share Holders holding more than 5% shares

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	% held	No. of Shares	% held
Sahu Brothers P Ltd	5,12,59,860	24.01	5,01,48,156	23.90
Particulars	As at 31.3.2015		As at 31.3.2014	
	Nos of Shares		Nos of Shares	
Equity Shares at the beginning of the year	20,97,90,953		20,97,90,953	
Add: Shares Issued on conversion of warrants to promoters on preferential basis	37,03,361		-	
<b>Equity Shares at the end of the year</b>	<b>21,34,94,314</b>		<b>20,97,90,953</b>	

# NOTES FORMING PART OF THE BALANCE SHEET



## NOTE "3"

### Reserves and Surplus

#### Capital Reserves

As per last Balance Sheet

Closing Balance

AS AT  
31/03/2015  
Rs. in lacs

406.88

**406.88**

AS AT  
31/03/2014  
Rs. in lacs

406.88

**406.88**

#### Capital Redemption Reserve

As per last Balance Sheet

Closing Balance

5.30

**5.30**

5.30

**5.30**

#### Securities Premium Reserve

Opening Balance

Add: Additions During the Period

Closing Balance

10,667.98

925.92

**11,593.90**

10,667.98

-

**10,667.98**

#### Revaluation Reserve

Opening Balance

Less: Transfer to Profit & Loss A/c

Closing Balance

769.27

46.18

**723.09**

809.16

39.89

**769.27**

#### General Reserve

Opening Balance

Add: Additions During the Period

Closing Balance

31,301.04

-

**31,301.04**

28,801.04

2,500.00

**31,301.04**

#### Surplus

Opening Balance

Add: Profit / (Loss) for the period

Less: Transfer to General Reserve

Less: Proposed Dividend on Equity Shares

Less: Tax on Dividend

Closing Balance

8,301.36

(592.17)

-

-

-

**7,709.19**

7,897.03

3,787.94

2,500.00

755.25

128.36

**8,301.36**

### TOTAL

**51,739.40**

**51,451.82**

## NOTE "4"

### Long-term Borrowings

#### Term Loans

From banks

From Financial Institutions

31,659.36

25,080.29

**56,739.65**

31,993.48

26,784.36

**58,777.84**

### TOTAL



**NOTE NO. 4**

**NOTES FORMING PART OF THE BALANCE SHEET AS AT AND THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2015**

Rs. in lacs

SR NO	PARTICULARS	31.03.2015	31.03.2015	31.03.2014	31.03.2014
		Non Current	Current Maturities	Non Current	Current Maturities
<b>A</b>	<b>TERM LOANS - SECURED</b>				
	<b>FROM BANKS:</b>				
1	<b>TERM LOANS FROM STATE BANK OF INDIA SYNDICATION</b> (Repayble in 24 equal quarterly installments, last installment falling due in August, 2014)	-	-	-	875.78
2	<b>TERM LOAN FROM STATE BANK OF PATIALA</b> (Repayble in 24 equal quarterly installments, last installment falling due in September 2014)	-	-	-	625.00
3	<b>TERM LOAN FROM ING VYSYA BANK LTD</b> (Repayble in 24 equal quarterly installments, last installment falling due on June, 2017)	292.50	350.10	650.11	342.59
4	<b>ECB FROM ICICI BANK</b> (Repayble in 12 equal Half yearly installments, last installment falling due in December, 2015)	-	2,101.00	1,996.99	1,996.99
5	<b>TERM LOAN FROM ICICI BANK LTD</b> (Repayble in 28 equal quarterly installments, last installment falling due in June, 2022)	6,428.58	1,071.42	7,249.65	-
6	<b>TERM LOAN FROM LAXMI VILAS BANK</b> (Repayble in 16 equal quarterly installments, last installment falling due in January, 2017)	1,000.00	1,000.00	2,000.00	1,000.00
7	<b>Term Loan from PNB</b> (Repayble in 28 equal quarterly installments, last installment falling due in March, 2023)	12,443.34	-	12,443.34	-
8	<b>Term Loan from ICICI Bank</b> (Repayble in 28 equal quarterly installments, last installment falling due in April -2023)	4,073.72	-	2,500.00	-
9	<b>TERM LOAN FROM STATE BANK OF TRAVANCORE</b> (Repayble in 28 equal quarterly installments, last installment falling due in April -2023)	2,314.16	-	2,314.17	-
10	<b>Term Loan From Development Credit Bank</b> (Repayble in 16 equal quarterly installments, last installment falling due in December 2018)	2,062.50	750.00	2,750.00	250.00
11	<b>Car Loans from Bank</b> (Repayable in monthly installments, last installment is due in Mar 2016)	44.55	94.53	89.22	105.51
12	<b>State Bank of India</b> (Repayble in 16 equal quarterly installments, last installment falling due in Sept 2019)	3,000.00	800.00	-	-
	<b>TOTAL A</b>	<b>31,659.35</b>	<b>6,167.05</b>	<b>31,993.48</b>	<b>5,195.87</b>
<b>B</b>	<b>FROM INSTITUTIONS:</b>				
13	<b>TERM LOAN FROM IREDA</b> (Repayble in 44 equal quarterly installments, last installment falling due in June 2022)	5,095.96	729.56	5,825.49	729.56
14	<b>TERM LOAN FROM EXIM BANK</b> (Repayble in 24 equal quarterly installments, last installment falling due in June 2016)	-	487.92	243.79	976.00
15	<b>TERM LOAN FROM EXIM BANK</b> (Repayble in 28 equal quarterly installments, last installment falling due in Sept 2022)	15,184.34	2,530.73	17,715.08	-
16	<b>TERM LOAN FROM EXIM BANK</b> (Repayble in 28 equal quarterly installments, last installment falling due in Sept 2024)	4,800.00	-	3,000.00	-
	<b>TOTAL B</b>	<b>25,080.30</b>	<b>3,748.21</b>	<b>26,784.36</b>	<b>1,705.56</b>
<b>C</b>	<b>FROM NBFC</b>				
17	<b>Term Loan - NBFC</b>	-	-	-	1.30
	<b>TOTAL C</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.30</b>
	Amount taken to current maturities of long term debts under other current liabilities ( Note No 9 )		9,915.26		6,902.73
	<b>TOTAL (A+B+C)</b>	<b>56,739.65</b>		<b>58,777.84</b>	

# NOTES FORMING PART OF THE BALANCE SHEET



## LOANS – Security: Banks/ Institutions

Term Loans and External Commercial Borrowings from Banks and Institutions are secured by a pari-passu first charge by way of hypothecation of movable fixed assets of the Company, including movable machinery spares, stores and further secured by mortgage on all the immovable properties of the Company situated in the states of Tamilnadu and Gujarat on first pari passu charge basis and second charge on Current Assets.

### Institutions:

The term loans from IREDA is secured by first charge on moveable properties and assets pertaining to windmill assets in the state of Rajasthan on specific charge basis.

### NBFC:

Term loan from NBFC are secured by creation of charge on all the assets purchased under the loan.

NOTE "5"	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>Deferred tax liabilities (net)</b>		
Deferred Tax Liability	11,961.65	12,013.84
Less: Deferred Tax Asset	493.78	423.78
<b>TOTAL</b>	<b>11,467.87</b>	<b>11,590.06</b>

## The break up of Deferred Tax Assets / Liabilities are as under:

Nature of timing difference	Deferred Tax Liability / (Assets) as at 1st April 2014	(Debit/Credit) for the year	Deferred Tax Liability / (Asset) as at 31st March 2015
<b>(a) Deferred tax liabilities</b>			
Difference between accounting and tax Depreciation	12013.84	(52.19)	11961.65
<b>Sub-total</b>	12013.84	(52.19)	11961.65
<b>(b) Deferred tax assets</b>			
Expenses allowed on payment basis	423.78	70.00	493.78
<b>Sub-total</b>	423.78	70.00	493.78
	11590.06	(122.19)	11467.87

NOTE "6"	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>Long term provisions</b>		
Provision for Gratuity	26.48	3.37
Provision for Leave Encashment	1078.26	966.46
<b>TOTAL</b>	<b>1104.74</b>	<b>969.83</b>
<b>NOTE "7"</b>		
<b>Short-term borrowings (from Banks Secured)</b>		
Loans repayable on demand		
Working Capital	5,999.90	429.74
Line of Credit	5,264.04	1,013.49
<b>TOTAL</b>	<b>11,263.94</b>	<b>1,443.23</b>



# NOTES FORMING PART OF THE BALANCE SHEET

## LOANS – Security

### Working Capital

Loans from Banks Working Capital facilities are secured by a first charge by way of hypothecation and/or pledge of current assets, namely, stocks of materials, semi-finished and finished goods, consumable stores and spares including machinery spares not capitalized, bills receivable and book debts and further secured by a second charge by way of hypothecation over all of movable plant and machinery and by way of mortgage by deposit of title deeds over the immovable properties, both present and future, such mortgage to rank second to the mortgages created/to be created in favour of term loan lenders viz., Banks / Financial Institution.

	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>NOTE "8"</b>		
<b>Trade Payables</b>		
Acceptances against Letters of Credit	21,409.07	28,207.83
Dues to Micro and Small Enterprises (Refer Note No 39)	131.90	29.69
Sundry Creditors (other than dues of Micro and Small Enterprises)	7,842.88	9,630.27
<b>TOTAL</b>	<b>29,383.85</b>	<b>37,867.79</b>
<b>NOTE "9"</b>		
<b>Other current liabilities</b>		
Current maturities of long term borrowings		
From banks	6,167.05	5,195.87
From Financial Institutions	3,748.21	1,705.56
From NBFC	-	1.30
Interest accrued but not due on borrowings	76.31	192.59
Unclaimed dividends #	67.23	63.78
Unpaid matured deposits and interest accrued thereon	0.04	0.04
Advance received from customers	1,311.99	55.65
Statutory Liabilities	980.68	1,562.57
Employee related liabilities	685.66	1,050.22
Trade and Other Deposits	402.70	462.40
Creditors for Capital Goods	2,726.53	1,284.36
# Do not include any amount due & outstanding to be credited to investor education & protection fund		
<b>TOTAL</b>	<b>16,166.40</b>	<b>11,574.34</b>
<b>NOTE "10"</b>		
<b>Short-term provisions</b>		
Proposed Dividend - Equity	-	755.25
Tax on Dividend	-	128.36
Provision for taxation (Net of Advance Tax)	-	255.05
<b>TOTAL</b>	<b>-</b>	<b>1138.66</b>

## NOTES FORMING PART OF THE BALANCE SHEET

(Rs. in Lakhs)											
Note No "11" FIXED ASSETS											
Description of Assets	At cost or revaluation book value Apr-14	Additions and other transfers	Adjustment (Ref. Note)	Sales and other deductions	At cost or revaluation book value 31st March 15	Opening Depreciation as on 01.04.2014	Adjustments for the year	Dep. On Discarded/Sold Assets	As at 31st March 15	Net Block As at 31st March 15	As at 31st March 14
Land	531.93	6.18	-	-	538.11	-	-	-	538.11	531.93	
Buildings	9,455.34	115.96	131.13	-	9,702.44	2,830.04	-	637.81	6,234.58	6,625.30	
Plant and Machinery	91,119.19	2,098.36	228.04	326.76	93,118.82	43,644.30	-	136.62	46,088.82	47,474.88	
Wind Mill	12,131.51	9.30	-	-	12,140.81	1,928.82	-	-	9,710.68	10,202.68	
Furniture & Fittings	698.29	11.37	-	2.32	707.34	480.18	-	1.86	95.37	218.12	
Office Equipments	590.98	76.03	-	3.15	663.85	353.48	-	0.66	214.76	237.50	
Vehicles	1,588.94	150.25	-	62.99	1,676.21	752.32	-	56.10	1,051.22	836.63	
<b>TOTAL</b>	116,116.18	2,467.45	359.17	395.22	118,547.58	49,989.14	-	195.25	55,040.23	63,507.31	66,127.04
<b>Previous Year</b>	111,339.38	4,515.42	514.00	252.62	116,116.18	44,981.36	-	134.05	49,989.14	66,127.04	66,358.02

### Notes :- 11

- 11.1 The Depreciation charge on the assets revalued on 31.03.1993 is more by Rs. 46.18 Lacs ( Previous year Rs. 39.90 Lacs ) than the depreciation charge thereon under Companies Act, 2013 and the same is met by drawing from Revaluation Reserve. The Uplift on revalued assets discarded amounting to Rs. Nil Lacs ( Previous Year Rs. Nil Lacs ) has also been met by drawing from Revaluation Reserve.
- 11.2 The Company opted for accounting foreign exchange difference on realignment of long term foreign currency loan related to acquisition of depreciable capital assets, as per AS 11 amended by the Companies (Accounting Standard) Amendment Rules 2009. Accordingly exchange difference of Rs. 116.92 Lacs ( Previous Year Rs. 514.00 Lacs ) relating to current year has been added to the cost of fixed assets and depreciation had been charged to Profit & Loss Account.
- 11.3 Adjustment of Rs. 242.25 Lacs in Building and Plant & Machinery has been made during the current year for rectification of error relating to previous year.
- 11.4 Building includes Rs. 523.06 Lacs being cost of ownership flats and office accommodation in Co-operative Societies and a Limited Company against which the company holds shares of the face value of Rs. 0.77 Lacs in Co-operative Societies and the Limited Company.
- 11.5 Assignment deeds in respect of 9.13 acres of land at Caustic Soda Division, transferred by Central Government to the State Government, are yet to be executed by the State Government in favour of the Company.
- 11.6 Land, Building and Plant & Machinery located at Sahapuram Works ( other than PVC Division ) were revalued on 31st March 1993.
- 11.7 The Company exercised the option to purchase 793.39 acres of land leased by the State Government at Sahapuram works. Assignment deeds in respect of the said land is yet to be executed by the State Government in favour of the Company.
- 11.8 Encroachers have occupied some portion of the land belonging to the company at Sahapuram. Efforts are being made to evict them.
- 11.9 Previous Period figures have been regrouped/rearranged to match with the current year.





## NOTES FORMING PART OF THE BALANCE SHEET

NOTE NO. 12 :

INVESTMENTS (AT COST, UNLESS OTHERWISE SPECIFIED) :

INVESTMENTS IN EQUITY INSTRUMENTS :

Rs. in lacs

	FACE VALUE (RUPEES) UNIT	31.03.2015		31.03.2014	
		LONG TERM		LONG TERM	
		NOS.	RUPEES	NOS.	RUPEES
<b>TRADE INVESTMENTS</b>					
<b>UNQUOTED :</b>					
<b>EQUITY SHARES IN SUBSIDIARY CO. :</b>					
DCW PIGMENT LIMITED	10	50,000	5.00	50,000	5.00
<b>NON-TRADE INVESTMENTS :</b>					
<b>UNQUOTED :</b>					
(I) INVESTMENTS IN GOVERNMENT/TRUST SECURITIES :					
7 YEARS NATIONAL SAVINGS CERTIFICATES	1000	10	0.10	10	0.10
(ii) INVESTMENT IN EQUITY SHARES OF THE DHRANGADHRA PEOPLES CO-OP. BANK LTD.,*	25	10	0.250	10	0.250
(iii) INVESTMENT IN EQUITY SHARES IN COMPANIES :					
GLOBAL TRUST BANK	10	19,000	1.90	19,000	1.90
LESS : PROVISION FOR DEMINATION OF VALUE IN SHARES		19,000	1.90	19,000	1.90
<b>QUOTED :</b>					
INVESTMENTS IN EQUITY SHARES OF THE COMPANIES :					
LIC HOUSING FINANCE LIMITED	2	-	-	87,000	10.44
TATA CONSULTANCY SERVICES	1	-	-	12	0.03
RELIANCE INDUSTRIES LIMITED	10	-	-	3,504	16.82
		-			<b>27.29</b>
<b>TOTAL LONG TERM INVESTMENT</b>			<b>5.10</b>		<b>32.39</b>
.* Figures Denote Amount in Rupees					
<b>OTHER DISCLOSURES :</b>					
(I) Aggregate value of quoted investments (Gross)			5.10		27.29
Market value of quoted investments			-		237.88
(II) Aggregate value of unquoted investments (Gross)			7.00		7.00
(III) Aggregate value of diminution in value of investments			1.90		1.90

# NOTES FORMING PART OF THE BALANCE SHEET



## NOTE "13"

### Long-term loans and advances

	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
Capital Advances	1,751.51	1,407.02
Security Deposits	355.73	284.60
Loans and advances to related parties (Refer Note No. 33)	5.64	5.64
Staff Loans & Advances	9.23	21.71
Vat Refund Receivable A/C	12.32	18.60
<b>TOTAL</b>	<b>2,134.43</b>	<b>1,737.57</b>

## NOTE "14"

### Other non-current assets

Receivable under Forward Cover Contracts	193.34	386.67
Mat Credit Entitlement	511.08	722.81
<b>TOTAL</b>	<b>704.42</b>	<b>1,109.48</b>

## NOTE "15"

### Inventories

#### (As Certified by the Management)

Raw materials	10,432.07	9,370.36
Work-in-process	66.48	44.78
Finished goods	3,501.12	8,217.14
Stores , Spares and Fuel	2,404.97	2,536.63
Packing Materials	152.44	181.17
Packing Drums & Scrap	2.66	2.66
Coke dust, Gypsum	-	-
Shares	-	8.58
<b>TOTAL</b>	<b>16,559.74</b>	<b>20,361.32</b>

## NOTE "16"

### Trade Receivables

Trade Receivable outstanding for a period exceeding six months		
-Secured, considered good	-	30.00
-Unsecured considered good	1192.74	212.50
-Doubtful	20.21	261.25
Less: Provision for doubtful debts	(20.21)	(261.25)
<b>Other Trade Receivables</b>		
-Unsecured, considered good	8265.39	9188.58
<b>TOTAL</b>	<b>9,458.13</b>	<b>9,431.08</b>



## NOTES FORMING PART OF THE BALANCE SHEET

### NOTE "17"

#### Cash and Cash Equivalents

	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
Balances with Banks in current account	220.81	145.88
Cheques,drafts on hand	0.07	0.06
Cash on hand	22.43	17.56
Other Bank Balances	243.31	163.50
Fixed Deposit	329.84	177.78
<b>TOTAL</b>	<b>573.15</b>	<b>341.28</b>

### NOTE "18"

#### Short-term loans and advances

Advance recoverable in cash or in kind or for value to be received	2,046.41	1,721.95
Taxes Paid (Net)	273.14	-
Staff Loans	96.42	217.85
Prepaid Expenses	321.53	159.13
Balances with Customs, Central Excise, etc,	4,009.27	5,977.43
<b>TOTAL</b>	<b>6,746.77</b>	<b>8,076.36</b>

### NOTE "19"

#### Revenue from Operations sale of Products

-Direct sales of manufactured products	87,112.49	87,799.06
-Consignment sales of manufactured products	34,711.25	34,452.78
-Export sales of manufactured products	15,830.33	22,458.80
-Sales of traded goods	13.72	198.74
Sale of Scrap and other materials	364.73	408.50

#### Other Operating Income

Sale of DEP B Licence	365.46	619.96
<b>TOTAL</b>	<b>138,397.98</b>	<b>145,937.84</b>
Less : Excise duty	12,951.15	13,382.63
<b>TOTAL</b>	<b>125,446.83</b>	<b>132,555.21</b>

### NOTE "20"

#### Other Income

Interest Income (TDS Rs. 1.51 lacs (PY Rs. 2.99 lacs))	35.68	49.07
Dividend Income on long-term investments	2.84	4.11
Dividend Income on current investments	0.45	2.13
Profit on Sale of Fixed Assets	6.28	2.68
Unclaimed balance written back	32.75	8.51
Insurance claims received	29.23	8.95
Other Non-operating Income	77.66	55.97
<b>TOTAL</b>	<b>184.89</b>	<b>131.42</b>

# NOTES FORMING PART OF THE BALANCE SHEET



	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>NOTE "21"</b>		
<b>Cost of Material consumed</b>		
Opening stock in hand and in process	9,370.35	9,753.72
Add: Purchase of Raw materials	65,492.92	69,196.12
Less: Closing stock in hand and in process	10,432.07	9,370.35
<b>TOTAL</b>	<b>64,431.20</b>	<b>69,579.49</b>
<b>NOTE "22"</b>		
<b>Purchase of Stock in Trade</b>		
Purchase of Stock in Trade	7.22	218.77
<b>TOTAL</b>	<b>7.22</b>	<b>218.77</b>
<b>NOTE "23"</b>		
<b>Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
Closing stock:		
Finished Goods	(3,021.00)	(7,598.03)
Work-in-process	(66.48)	(44.78)
Packing Drums and Scrap	(2.66)	(2.66)
Coke dust, Gypsum	-	-
Traded Shares	-	(8.58)
	(3,090.14)	(7,654.05)
Opening Stock:		
Finished Goods	7,598.03	5,784.60
Work-in-process	44.78	33.18
Packing Drums and Scrap	2.66	2.66
Coke dust, Gypsum	-	35.52
Traded Shares	8.58	8.58
	7,654.05	5,864.54
<b>TOTAL</b>	<b>4,563.91</b>	<b>(1,789.51)</b>
<b>NOTE "24"</b>		
<b>Excise duty on inventory differential</b>		
Excise Duty in Closing Stock	(480.12)	(619.12)
Excise Duty in Opening Stock	619.12	413.01
<b>TOTAL</b>	<b>139.00</b>	<b>(206.11)</b>



## NOTES FORMING PART OF THE BALANCE SHEET

### NOTE "25"

#### Employee benefits expense

Salaries and wages	7,181.86	6,520.48
Contributions to provident and other funds	859.96	667.36
Staff Welfare Expenses	693.00	633.06
Directors Remuneration (Net of Capitalisation of Rs.200.44 lacs (PY. Rs. 70.01 lacs))	481.43	445.32

#### TOTAL

**9,216.25**

**8,266.22**

### NOTE "26"

#### Finance costs

Interest expense	1,469.79	2,243.68
Other borrowing costs	52.50	34.48
Bank Charges	346.43	424.80

#### TOTAL

**1,868.72**

**2,702.96**

### NOTE "27"

#### Depreciation

Depreciation provided on fixed assets	5,246.35	5,141.81
Less: Drawn from Revaluation Reserve	(46.18)	(39.89)

#### TOTAL

**5,200.17**

**5,101.92**

# NOTES FORMING PART OF THE BALANCE SHEET



	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>NOTE "28"</b>		
<b>Other expenses</b>		
Packing charges	1,674.88	1,596.99
Power and fuel	22,543.95	23,975.21
Operating and maintenance expenses	1,459.56	1,800.14
Rent	93.67	101.02
Repairs to building	970.16	1,025.25
Repairs to machinery	4,860.39	4,697.78
Repairs to other assets	558.28	519.37
Insurance	275.58	293.20
Rates and Taxes	33.42	89.64
Licence fees paid	54.75	52.57
<b>TOTAL A</b>	<b>32,524.64</b>	<b>34,151.17</b>
<b>Payments to auditors</b>		
-as auditors	12.50	10.00
-for taxation matters (Includes Tax Audit Fees Rs.5.50 lacs (Previous Year Rs. 2.50 lacs))	9.10	6.31
-for other services	4.17	4.54
-for reimbursement of expenses	3.77	3.86
<b>TOTAL B</b>	<b>29.54</b>	<b>24.71</b>
Travelling expenses	272.33	232.84
Conveyance expenses	225.35	204.74
Advertisement expenses	16.13	19.18
Professional fees	320.47	385.48
Directors Sitting Fees	3.20	3.95
Assets Sold or Written off	129.24	68.56
Wealth tax paid	6.37	6.52
Donation	4.65	8.69
Freight, Transportation, Loading and other Charges (net)	3,802.92	3,532.23
Commission to wholesalers / others	586.38	648.20
Cash discount	157.47	197.69
Vehicle expenses	121.45	112.78
Exchange Difference (Net)	1,495.83	3,141.35
Bad Debts w/off	212.80	-
Provision for Doubtful debts	(241.04)	-
Miscellaneous Expenses	953.90	855.43
<b>TOTAL C</b>	<b>8,067.45</b>	<b>9,417.64</b>
<b>TOTAL A+B+C</b>	<b>40,621.63</b>	<b>43,593.52</b>



## NOTES FORMING PART OF THE BALANCE SHEET

### NOTE "29"

#### Exceptional Item

Provision for Electricity Tax

Profit on sale of Investment / Trade Shares

#### TOTAL

### NOTE "30"

#### A. CONTINGENT LIABILITIES NOT PROVIDED FOR:

1 Disputed Sales Tax Demands

2 Disputed Excise/Service Tax Demands

3 Disputed Customs Demands

4 Company's contribution to ESI not made pursuant to petitions for exemption pending before High Court.

5 Lease Rent, Local Cess, Octroi, Interest on Octroi Surcharge, Stamp Duty, Water and Electricity duty

6 Disputed Industrial relations matters

#### B. Claims not acknowledged as debts:

##### Total

#### C. GUARANTEE AS A MEMBER OF THE ALKALI MFG.

ASSN. ( A Company Limited by Guarantee)

AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
422.69	-
(362.53)	-
<b>60.16</b>	<b>-</b>
3,271.89	4,100.39
635.61	488.15
3,121.26	321.18
156.57	187.01
8,472.34	4,797.97
521.96	523.96
-	-
<b>16,179.63</b>	<b>10,418.66</b>
Rs 500	Rs 500

# NOTES FORMING PART OF THE BALANCE SHEET



## NOTE NO 31:

### Commitments

- a) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for is Rs. 13,972 lacs (previous year Rs. 15,213 lacs).
- b) In respect of land on lease, the future obligations towards lease rentals under the lease agreements as on 31st March, 2015 amount to Rs. 42.10 lacs (previous year Rs. 60.44 lacs).
- c) The company does not have any other commitments.

## NOTE NO. 32:

- a) Consignment sales and expenses are incorporated on the basis of sale notes when received from consignees.
- b) Assets and liabilities are classified as current and non-current based on the terms of the contract where available and based on the judgment of the management in other cases.
- c) Confirmation of balances from some of the Debtors and Creditors, have not been received.
- d) In the opinion of the management, current assets, long term loans and advances and other noncurrent assets have a realizable value in ordinary course of business at least equal to the amounts at which they are stated in the balance sheet.
- e) Other Long Term Liabilities represents security deposits towards sale of CPVC.

## NOTE NO. 33:

### RELATED PARTY INFORMATION.

#### (I) Relationships:

##### (a) The related parties where control exists

Name of the related parties	Nature of relationship
DCW Pigments Ltd	Subsidiary
Double Dot Finance Ltd.	Entities in which key management personnel & / or their relatives have significant influence.
Crescent Finstock Ltd.	
Sahu Brothers Pvt. Ltd.	
Jain Sahu Brothers Properties Pvt. Ltd.	
Dhrangadhra Trading Company Pvt. Ltd.	
Kishco Ltd.	
Crescent Holdings Pvt. Ltd.	

##### (b) Key Management Personnel & their Relatives

Shri P.K. Jain	Chairman & Managing Director
Shri Bakul Jain	Managing Director
Shri Vivek Jain	Managing Director
Shri Mudit Jain	Managing Director
Shri Ashish Jain	Sr. President
Smt. Paulomi Jain	President
Smt. Malti Bhindi	President
Shri Saatvik Jain	President
Shri Vimal Jain	Chief Financial Officer
Smt. Jigna Karnick	Deputy Company Secretary

#### Note:

Related party relationships on the basis of the requirements of Accounting Standard (AS) - 18 disclosed above is as identified by the company and relied upon by the auditors.



## NOTES FORMING PART OF THE BALANCE SHEET

ii) **DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS ON 31ST MARCH, 2015.** Rs. in Lakhs

Particulars	Enterprise / Key Management	Relationship	For the Year 2014-15	For the Year 2013-14
Money Received against Share Capital	Shri P K Jain	Chairman & Managing Director	124.96	-
	Smt. Usha P Jain		50.00	-
	Shri Bakul Jain	Managing Director	174.96	-
	Shri Mudit Jain	Managing Director	174.96	-
	Shri Vivek Jain	Managing Director	174.96	-
	M/s. Sahu Brothers Pvt. Ltd.	Entities in which key management personnel & / or their relatives have significant influence	300.16	-
Purchase of goods	M/s. Kishco Ltd.	Entities in which key management personnel & / or their relatives have significant influence	2.46	2.68
Inter Corporate Deposit taken	M/s. Sahu Brothers Pvt. Ltd.	Entities in which key management personnel & / or their relatives have significant influence	500.00	200.00
	M/s. Jain Sahu Brothers Properties Pvt. Ltd.		40.00	-
		<b>Total</b>	<b>540.00</b>	<b>200.00</b>
Inter Corporate Deposit repaid	M/s. Sahu Brothers Pvt. Ltd.	Entities in which key management personnel & / or their relatives have significant influence	500.00	200.00
	M/s. Jain Sahu Brothers Properties Pvt. Ltd.		40.00	-
		<b>Total</b>	<b>540.00</b>	<b>200.00</b>
Unsecured loan taken	Dr. S. C. Jain	Chairman Emeritus	-	180.00
	Shri.Vivek Jain	Managing Director	395.00	-
	Shri P.K. Jain	Chairman & Managing Director	545.00	180.00
	Shri.Mudit Jain	Managing Director	375.00	180.00
	Shri.Bakul Jain	Managing Director	295.00	180.00
			<b>Total</b>	<b>1,610.00</b>
Unsecured Loan Repaid	Dr. S. C. Jain	Chairman Emeritus	-	180.00
	Shri.Vivek Jain	Managing Director	395.00	-
	Shri P.K. Jain	Chairman & Managing Director	545.00	180.00
	Shri.Mudit Jain	Managing Director	375.00	180.00
	Shri.Bakul Jain	Managing Director	295.00	180.00
			<b>Total</b>	<b>1,610.00</b>
Interest Paid	M/s. Sahu Brothers Pvt. Ltd.	Entities in which key management personnel & / or their relatives have significant influence	26.24	11.11
	M/s. Jain Sahu Brothers Properties Pvt. Ltd.		2.77	-
	Shri P.K. Jain	Chairman & Managing Director	1.71	-
		<b>Total</b>	<b>30.72</b>	<b>11.11</b>

# NOTES FORMING PART OF THE BALANCE SHEET



## ii) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS ON 31ST MARCH, 2015.

Rs. in Lakhs

Particulars	Enterprise / Key Management	Relationship	Rs. in Lakhs	
			For the Year 2014-15	For the Year 2013-14
Balances as on 31st March, 2015 (Net)	M/s. Dhrangadhra Tdg. Co. Pvt. Ltd.		(4.74)	(4.74)
	M/s. Double Dot Finance Ltd.		5.64	5.64
		<b>Total (Net)</b>	<b>0.90</b>	<b>0.90</b>
Remuneration paid:				
Key Management Personnel & their Relatives	Dr. S. C. Jain	Chairman Emeritus	-	111.88
	Shri P.K. Jain	Chairman & Managing Director	136.82	126.19
	Shri.Bakul Jain	Managing Director	136.82	126.19
	Shri.Vivek Jain	Managing Director	136.82	63.87
	Shri.Mudit Jain	Managing Director	136.82	126.22
	Shri.Ashish Jain	Senior President	117.97	54.08
	Mrs. Paulomi Jain	President	117.89	54.11
	Mrs. Malti Bhindi	President	113.54	30.90
	Shri.Saatvik Jain	President	113.72	2.41
	Shri.Vimal Jain	Chief Financial Officer	45.15	40.53
	Smt.Jigna Karnick	Dy. Company Secretary	9.13	-
		<b>Total</b>	<b>1,064.68</b>	<b>736.38</b>

### NOTE NO. 34:

Sales Tax Assessments of Dhrangadhra Unit are pending for 1994-95, 1995-96, 1997-98, 2004-05, 2005-06 and 2010-11 to 2012-13. In respect of Sahupuram Unit Central Sales Tax Assessments and Tamil Nadu General Sales tax assessment are completed up to 2010-11.

### NOTE NO. 35:

#### Financial Derivative Instruments

- a. Derivative contracts entered into by the Company and outstanding as on 31st March, 2015 for Hedging currency and interest related risks

Nominal amount of derivative contracts entered by the company and outstanding as on 31st March, 2015 amount to US\$ 3.61 mn. (Previous year US\$ 7.61 mn.) Category wise break up is given below:

Sr. No.	Particulars	31st March, 2015 US\$ Mn	31st March, 2014 US\$ Mn
1	Interest Rate Swaps	0.14	0.47
2	Currency Swaps	3.47	7.14

- b. Foreign Currency payables and receivables that are not hedged by derivative instruments as on 31st March, 2015, amount to US\$ 40.44 mn. (Previous year US\$ 41.63 mn.)
- c. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses



## NOTES FORMING PART OF THE BALANCE SHEET

### NOTE NO. 36:

During the year ended 31st March, 2015, the company has reassessed the remaining useful lives of fixed assets with effect from 1st April 2014 in accordance with Part A of Schedule II to the Companies Act, 2013. As a result of the same, depreciation for the year is lower by Rs. 891.67 lacs. For assets that had completed their useful lives as at 1st April 2014, the net residual value of Rs. 704.38 lacs has been adjusted to Statement of Profit and Loss.

### NOTE NO. 37:

- a. Since the equipments meant for Calcium Chloride plant at Soda Ash division are capable of being used for manufacture of salt, the expenditure incurred on the same is shown under Capital Work in Progress.
- b. The work on Synthetic Iron Oxide Pigment (SIOP) Project has been completed and commercial production has started with effect from May 2015. The company has also filed the declaration of commercial production with the EOU authorities. Hence the expenditure incurred on the project including interest, trial run expenditure less sale of products manufactured during the trial run, administration expenditure relating to the construction of the project etc., has been shown under Capital Work in Progress.

### NOTE NO. 38:

a) The Tamil Nadu Government vide Government order dated 23-09-1996 issued under TamilNadu Electricity (Taxation & Consumption) Act, 1961, exempted specified industries (including the industry in which the company operates) permanently from payment of Electricity Tax on consumption of power generated captively. The Supreme Court vide order dated 15th May, 2007 held that the withdrawal of the permanent exemption by the Act of 2003 was invalid. In November, 2007 the TamilNadu government passed the TamilNadu tax on consumption or Sale of Electricity (Amendment) Act, amending the Act of 2003 to invalidate the permanent exemption granted with retrospective effect. The writ petition filed by the company against this amendment has been dismissed by the Madras High Court. The SLP filed by the company against the High Court Order has been admitted by the Supreme Court.

The Electrical Inspectorate, Government of Tamil Nadu's vide letter dated 2nd September 2014 informed the Company that the electricity tax exemption would not be applicable to the Company and demanded electricity tax of Rs.2026.72 lacs and interest of Rs.1541.98 lacs for the period 2003 to 2012. The Company has filed writ petition before the Hon'ble High Court of Judicature at Madras and has also obtained interim stay of the said demand vide Order dated 22nd September, 2014 on payment of Rs.640 lacs towards pre-deposit.

The Special Leave Application filed before the Hon'ble Supreme Court and the writ petition filed before the Hon'ble Madras High Court are pending for adjudication.

The company has been legally advised and is hopeful of favourable outcome before the Supreme Court on the invalidity of and the retrospective application of the Amending Act of 2003 and in the writ petition filed before the Hon'ble Madras High Court. An amount of Rs.422.69 lacs has been provided on a prudent basis. No provision is considered necessary by the management for the balance electricity tax demand and has been disclosed as contingent liability.

b) In the matter of leasehold land in respect of the salt works at Kuda, Dhrangadhra, the Honourable Supreme Court has admitted the SLP filed by the Company against the Order of the Gujarat High Court upholding that the lease of the aforesaid land is not permanent and hence is terminable. The Company is confident of succeeding in the Supreme Court.

c) The Commissioners of Customs, Tuticorin and Kandla during the year issued Order rejecting the classification of coal imported by the company during the year 2011 and 2012 as Steam Coal and reclassified the same as Bituminous Coal and demanded differential duty of Rs.1311.31 lacs along with applicable interest of Rs.341.34 lacs and imposed penalty of Rs.1309 lacs. The Company has filed appeal with CESTAT against the said Orders. The appeal is pending with CESTAT. The Company has been legally advised that it has a fair chance of winning the case before CESTAT. Accordingly no provision has been made in the accounts and has been disclosed as contingent liability.

# NOTES FORMING PART OF THE BALANCE SHEET



d) In the matter of custom duty on imported calciner, the Hon'ble Gujarat High Court, has vide order dated 15th December, 2005, partly allowed company's civil application for refund of Rs.41.48 lacs, to the extent of Rs.17.50 lacs, that has since been received and denied claim for refund of balance Rs. 23.98 lacs on account of unjust enrichment. The Company has filed special leave petition before Hon'ble Supreme Court in this regard. The case is pending for hearing.

e) In the matter of Export duty on Upgraded Benefited Ilmenite classification dispute, the Company has given an undertaking to remit the disputed duty in case, the dispute is decided against the Company by the highest judicial forum. As at 31st March 2015 the duty liability is Rs.1553.50 Lacs. Since the Company has got the favourable order from the adjudicating authority in some other shipments made by the Company, relating to the same period, the possibility of outflow of resources in this matter is considered remote.

## NOTENO. 39:

The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

(Rs. In Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Principal amount due and remaining unpaid	131.90	29.69
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

## NOTENO. 40:

Disclosure pursuant to Accounting Standard - 15 (Revised) "Employee Benefits"

a. Effective 1st April'07, the company has adopted Accounting Standard 15 (revised 2005) "Employee Benefits" issued by ICAI. The Company has classified the various benefits provided to employees as under:

b. Defined Contribution Plans:

The Company has recognized the following amounts in the Profit & Loss Account which are included under contribution to Provident Fund and Other Funds:

(Rs. In Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Provident Fund	399.00	385.91
Superannuation Fund	182.44	117.50
Employees' Pension Scheme, 1995	189.41	124.56

The Rules of the Company's Provident Fund administered by a Trust require that if the Board of Trustees are unable to pay interest of at the rate declared on Employees Provident Fund by the Government under the Employees Provident Fund Scheme, for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company.

## NOTES FORMING PART OF THE BALANCE SHEET

### c. Defined Benefit Plans

		<b>Gratuity Funded Rs. Lacs</b>	<b>Leave Wages Non-Funded Rs. Lacs</b>
<b>1</b>	<b>Change in Benefit Obligation</b>		
	Liability at the beginning of the year 1st April' 2014	2475.47 (2377.22)	966.46 (807.91)
	Interest cost	223.29 (190.18)	87.17 (64.63)
	Current Service Cost	100.52 (100.85)	82.78 (83.18)
	Benefit Paid	(-)421.33 (-)(11.89)	(-)35.08 (-)(48.24)
	Actuarial (gain)/ Loss on obligation	205.86 (-)(180.89)	(-)23.08 (58.97)
	Liability at the end of the year	2583.81 (2475.47)	1078.25 (966.45)
<b>2</b>	<b>Changes in the Fair Value of Plan Assets</b>		
	Present Value of Plan Assets as at 1st April, 2014	2472.10 (2325.12)	- (-)
	Expected Return on Plan Assets	215.07 (202.29)	- (-)
	Actuarial (Gain)/Loss	(-)1.83 (-)(43.43)	- (-)
	Employers' Contributions	- (-)	- (-)
	Benefits Paid	(-)128.01 (-)(11.88)	- (-)
	Present Value of Planned Assets as at 31st March, 2015	2557.33 (2472.10)	- (-)
<b>3</b>	<b>Amount Recognized in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets</b>		
	Present Value of Defined Benefit Obligation as at 31st March, 2015	(-)2583.81 (-)(2475.47)	(-)1078.25 (-)(966.45)
	Fair Value of Plan Assets as at 31st March, 2015	2557.33 (2472.10)	- (-)
	Net Liability recognized in the Balance Sheet as at 31st March, 2015	(-)26.48 (-)(3.37)	(-)1078.25 (-)(966.45)
<b>4</b>	<b>Expenses Recognized in the Profit and Loss Account</b>		
a)	Service Cost	100.52 (100.85)	82.78 (83.18)

# NOTES FORMING PART OF THE BALANCE SHEET



		<b>Gratuity Funded Rs. Lacs</b>	<b>Leave Wages Non-Funded Rs. Lacs</b>
b)	Interest Cost	8.21 (190.18)	87.17 (64.63)
c)	Expected Return on Plan Assets	(-)215.07 (-202.29)	- (-)
d)	Curtailment Cost/(Credit)	- (-)	- (-)
e)	Settlement Cost/(Credit)	- (-)	- (-)
f)	Net Actuarial (Gain)/Loss	207.70 (-)(137.47)	(-)23.08 (58.97)
	<b>Total Expenses recognized in the Profit and Loss A/c</b>	316.43 (-)	146.87 (206.79)
<b>5</b>	<b>Actual Return on Plan Assets</b>		
	<b>Estimated Contribution to be made in the next annual year</b>		
	<b>The Composition of Plan Assets : i.e. Percentage of each Category of</b>		
a)	Govt of India Securities	- (-)	- (-)
b)	Corporate Bonds	- (-)	- (-)
c)	Special Deposit Scheme	- (-)	- (-)
d)	Equity Shares of Listed Companies	- (-)	- (-)
e)	Property	- (-)	- (-)
f)	Insurance Managed Funds	2557.33 (2472.10)	- (-)
g)	Others	- (-)	- (-)
	<b>Total</b>	2557.33 (2472.10)	- (-)
<b>6</b>	<b>Actuarial Assumptions</b>		
	Retirement age	58	58
	Discount rate	8.01% (9.02%)	8.01% (9.02%)
	Mortality	Indian Assured Lives	
	Withdrawal rate	2% (2%)	
	Salary escalation	4% (4%)	



# NOTES FORMING PART OF THE BALANCE SHEET

## NOTE 41

(a) Information with regard to each class of goods manufactured/traded

Value - Rs. In lacs

PARTICULARS	Op Stock	Closing Stock	Sales
	As on 1st April '14	As on 31st March '15	2014-15
<b>DHARANGADHRA UNIT</b>			
Soda Ash	158	168	16,849
	(258)	(158)	(15,701)
Soda Bicarbonate	131	127	4,584
	(127)	(131)	(4,078)
Ammonium Bicarbonate	2	5	129
	(3)	(2)	(52)
Detergent - Green	-	2	11
	(12)	-	(14)
Detergent - Active	-	-	-
	(9)	-	(11)
Salt Finished Goods	19	17	-
	(22)	(19)	-
<b>SAHUPURAM UNIT</b>			
Caustic Soda Lye	756	415	20,962
	(1,069)	(756)	(21,113)
Caustic Soda Solid	13	15	31
	(8)	(13)	(39)
Caustic Soda Flakes	138	190	2,397
	(16)	(138)	(3,204)
Sodium Hypochlorine	-	-	127
	-	-	(116)
Hydrochloric Acid 100%	2	4	(109)
	(4)	(2)	(243)
Liquid Chlorine	2	2	283
	(2)	(2)	(323)
Trichloroethylene	99	116	2,247
	(249)	(99)	(1,964)
Upgraded Ilmenite	4,465	1,288	15,588
	(2,933)	(4,465)	(21,991)
Utox	100	200	1,017
	(108)	(100)	(1,138)
Ferrie Chloride	14	6	269
	(4)	(14)	(388)
Yellow Iron oxide	7	7	163
	(12)	(7)	(123)
PVC Resin	1,891	927	67,156
	(1,371)	(1,891)	(67,762)
CPVC/LPO	-	-	-
	-	-	-
SWAP COAL	-	-	-
(Traded Goods)	-	-	(192)
SPARES	-	-	14
(Traded Goods)	-	-	(7)
Liquid Chlorine	-	-	-
(Traded Goods)	-	-	-
Sale of Power - Windmill	-	-	1,488
	-	-	(1,600)
<b>TOTAL</b>	<b>7,797</b>	<b>3,489</b>	<b>133,206</b>
Previous Year	(6,203)	(7,798)	(140,060)

# NOTES FORMING PART OF THE BALANCE SHEET



<b>b) Expenditure in Foreign Currency</b>	
i) Know-how fees	95.44 (2,299.30)
ii) Consultant fees	106.31 (7.60)
iii) Others	1,779.36 (1,704.82)
<b>c) Earnings in Foreign Exchange</b>	
i) Export on f.o.b. basis	15,226.03 (22,335.57)
ii) Others	4.17 (4.64)
<b>d) Consumption of imported/indigeneous Raw Materials Stores and Spares at Landed Cost</b>	
Raw Material      Imported	54,478.90 (59,870.68)
Indigeneous	11,167.43 (11,621.16)
<b>Stores and Spare parts (Including Consumption for Capital jobs &amp; fuel Oil/Coal)</b>	
Imported	16,320.87 (17,459.33)
Indigeneous	6,062.32 (9,309.17)
<b>e) Value of Imports on c.i.f. basis</b>	
i) Raw Materials	45,468.05 (68,354.53)
ii) Fuel Oil/Coal	16,055.97 (11,236.50)
ii) Stores and Spare parts	787.99 (86.81)
iii) Capital Goods	162.29 (164.79)



## NOTES FORMING PART OF THE BALANCE SHEET

f) Raw Materials Consumed :	Value Rs. In Lacs
Salt	2,741
Ilmenite Sand	(2,692)
Calcium Carbide	6,135
Vinyl Chloride Monomer	(10,818)
Lauryl Peroxide	1,385
Limestone	(1,027)
Coke	48,195
Coal	(49,114)
Ammonia	141
Charcoal	(130)
Others	2,430
Consumption of own manufactured products and Intermediates	(1,992)
	2,053
	(2,383)
	15,114
	(16,728)
	149
	(191)
	-
	-
	2,418
	(2,243)
	990
	(902)

**NOTE NO. 42:** Earning per share (EPS) as per Accounting Standard - 20

	2014-15 Rs. Lacs	2013-14 Rs. Lacs
Profit/ (Loss) after Tax	(592.17)	3787.94
No. of Equity shares of Rs.2 each outstanding as on 31.3.2015	213,494,657	209,790,953
Weighted Average Number of Equity Shares Outstanding during the year		
For Basic	213,494,657	209,790,953
For Diluted	213,494,657	209,790,953
EPS (Rs.)		
Basic	(0.28)	1.81
Diluted	(0.28)	1.81

# NOTES FORMING PART OF THE BALANCE SHEET



**NOTE NO. 43 :**  
Segment Information for the year 2014–2015:

	CAUSTIC	PVC	SODA ASH	OTHERS	TOTAL
<b>Segment Revenue</b>					
<b>External Revenue</b>	<b>45,198.71</b>	<b>59,836.38</b>	<b>19,458.95</b>	<b>1,496.89</b>	<b>125,990.93</b>
	(53,304.72)	(59,983.35)	(17,766.40)	(1,625.91)	(1,32,680.38)
<b>Segment Results</b>	<b>(2,806.66)</b>	<b>(451.34)</b>	<b>3,789.84</b>	<b>857.05</b>	<b>1,388.89</b>
	(4,181.20)	-(287.53)	(3,147.12)	(875.29)	(7,916.08)
<b>Add : Unallocated Corporate Income</b>	-	-	-	-	<b>3.29</b>
	-	-	-	-	(6.25)
<b>Less:</b>					
<b>Finance charges</b>	-	-	-	-	<b>1,868.72</b>
	-	-	-	-	(2,702.96)
<b>Current Tax</b>					<b>237.82</b>
	-	-	-	-	(936.59)
<b>Deferred Tax</b>					<b>(122.19)</b>
	-	-	-	-	(494.84)
<b>Net Profit</b>	-	-	-	-	<b>(592.17)</b>
	-	-	-	-	(3,787.94)
<b>Segment Assets</b>	<b>116,764.47</b>	<b>34,024.82</b>	<b>21,358.31</b>	<b>11,702.55</b>	<b>183,850.15</b>
	(112,720.49)	(31,180.06)	(21,968.11)	(12,376.96)	(178,245.62)
<b>Add :Unallocated Corporate Assets</b>	-	-	-	-	<b>785.59</b>
	-	-	-	-	(763.77)
<b>Total</b>	<b>116,764.47</b>	<b>34,024.82</b>	<b>21,358.31</b>	<b>11,702.55</b>	<b>184,635.74</b>
	(112,720.49)	(31,180.06)	(21,968.11)	(12,376.96)	(1,79,009.39)
<b>Segment Liabilities</b>	<b>52,913.12</b>	<b>45,352.78</b>	<b>1,873.42</b>	<b>17,019.26</b>	<b>117,158.58</b>
	(56,328.91)	(44,005.89)	(1,786.39)	(8,511.84)	(110,633.03)
<b>Add :Unallocated Corporate liabilities</b>	-	-	-	-	<b>11,467.87</b>
	-	-	-	-	(12,728.72)
<b>Total</b>	<b>52,913.12</b>	<b>45,352.78</b>	<b>1,873.42</b>	<b>17,019.26</b>	<b>128,626.45</b>
	(56,328.91)	(44,005.89)	(1,786.39)	(8,511.84)	(1,23,361.75)
<b>Capital Expenditure</b>	-	-	-	-	<b>15,980.44</b>
	-	-	-	-	(32,655.30)
<b>Depreciation</b>	<b>3,655.64</b>	<b>372.49</b>	<b>670.73</b>	<b>501.31</b>	<b>5,200.18</b>
	(3,490.88)	(334.59)	(638.17)	(638.30)	(5,101.94)

**NOTE NO. 44 :**  
Expenditure incurred on Corporate Social Responsibility (CSR) activities is Rs. 63.60 lacs.

**NOTE NO. 45 :**  
Previous year figure are regrouped to match current year grouping



## STATEMENT REGARDING SUBSIDIARY COMPANIES PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

1 Name of Subsidiary	DCW Pigments Limited
2 Financial year ended	31st March 2015
3 Holding Company's Interest : Equity Capital : Number of Shares of Rs. 10/- each Extent of Holding	  50,000 100%
4 The net aggregate of Profit/(Loss) of the Subsidiary Company in so far as it concerns the members of the Holding Company : (a) Not dealt with in the accounts of the Company for the year ended 31st March, 2015 : (1) For the Subsidiary's financial year ended as in two above (2) For the previous financial years of the Subsidiary (1) For the Subsidiary's financial year ended as in 2 above (2) For the previous financial years of the Subsidiary	

As per our Report attached.  
For V.Sankar Aiyar & Co.  
Chartered Accountants  
FRN No. 109208W  
S.Venkatraman  
Partner  
Membership No. 34319  
Place: Mumbai  
Date: 23 May, 2015

Jigna Karnick  
Dy. Company Secretary

For and on behalf of the board  
Pramod Kumar Jain  
Chairman & Managing Director  
Bakul Jain  
Vivek Jain  
Mudit Jain  
Managing Directors  
Vimal Jain  
Chief Financial Officer

## DIRECTORS'S REPORT

To the Shareholders

Your Directors present the 8th Annual Report of your Company together with the Audited Accounts for the year ended 31.03.2015.

### 1 Operations

The Company has not yet commenced its operations

### 2 Directors

Shri. Vivek Jain, Director retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for reappointment.

### 3 Conservation of energy, Technology Absorption and Foreign Exchange earnings and outgo

As the Company has not commenced any operations, there is nothing to report on Conservation of energy, Technology Absorption and Foreign Exchange earnings and outgo

### 4 Particulars of Employees

During the year no employee received remuneration in excess of the limits prescribed under section 217(2A) of the Companies Act, 1956 and the Rules made thereunder.

### 5 Director's Responsibility Statement

In terms of section 134 (3)(c) of the Companies Act, 2013, your Directors have:

- (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 were 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.

### 6 Auditors

Shri. Pravin G. Kapadia Chartered Accountant of the Company retires at the forthcoming Annual General Meeting and are eligible for reappointment.

For and on behalf of the Board

**Bakul Jain**  
Chairman

Place: Mumbai

Date: 22 May, 2015

### Registered Office:

358, Anna Salai, Thousand Lights  
Chennai - 600006, Tamil Nadu.

## INDEPENDENT AUDITOR'S REPORT

To the Members of DCW PIGMENTS LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of M/s DCW PIGMENTS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, with a summary of significant accounting policies and other explanatory information. The Statement of Profit and Loss and Cash Flow Statement have not been prepared for the year since the Company has not yet commenced any commercial operations during the year. (Refer Note.1 of Notes to Financial Statements).

### Management's Responsibility for the Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133' of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain , reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of 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.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India in case Balance Sheet, of the state of affairs of the Company as at 31st March 2015.

### Emphasis of Matter

We draw attention to Note No.1, regarding the preparation of these financial statements on a realisable value basis, instead of going concern basis, in the absence of any definitive business plans of the Company in the foreseeable future. Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

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, we give in the Annexure a statement on the matters Specified in paragraphs 3 of the Order.

As required by section 143(3) of the Act, we further 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 purpose of our audit;
- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) the Balance Sheet dealt with by this Report is in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014
- e) on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act
- f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
  - I. The Company does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
  - iii. There were no amounts in the Company financial which were required to be transferred to the Investor Education and Protection Fund.

**Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date of M/s DCW PIGMENTS LIMITED for the year ended on March 31st 2015**

- (I) The Company has not granted any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 189 of the Act.
- (II) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (III) According to the records of the Company examined by us and as per the information and explanations given to us, the Company has not availed of any loans from any financial institution or banks and has not issued debentures.
- (IV) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institution during the year.
- (V) In our opinion, and according to the information and explanations given to us, the Company has not raised any term loans during the year.
- (VI) During the course of our examination of the books and records' of the Company, carried in accordance with the auditing standards generally accepted in india, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
- (VII) In our opinion and according to the information and explanations given to us, having regard to the fact that the commercial operations are yet to be commenced and there is no fixed asset along with considering that there being no business activity carried out during the year, clauses (i),(ii),(iv),(vi),(vii),(viii) of paragraph 3 of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.

**Pravin G. Kapadia**

Chartered Accountant

Proprietor

Membership No. 016776

Place : Mumbai

Date : 22 May 2015

# DCW Pigments Ltd.

## Balance Sheet as at 31st March, 2015

(Amount in Rupees)

PARTICULARS	Note No.	31.03.2015	31.03.2014
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS FUND</b>			
Share Capital	2	500,000	500,000
Application Money Recd by Issue of Share Warrant		-	-
Reserves and Surplus	3	-	-
		500,000	500,000
<b>NON CURRENT LIABILITIES</b>			
Deferred Tax Liabilities (Net)	4	-	-
Long Term Borrowings	5	-	-
Long Term Provisions	6	-	-
Trade Payables	7	-	-
		-	-
<b>CURRENT LIABILITIES</b>			
Short Term Borrowings	8	-	-
Trade Payables	7	-	-
Other Current Liabilities	9	6,000	16,854
Short Term Provisions	10	-	-
		6,000	16,854
<b>Total</b>		<b>506,000</b>	<b>516,854</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Fixed Assets			
Tangible Assets	11	-	-
Intangible Assets		-	-
Capital Work-in-Progress		-	-
Intangible assets under development		-	-
		-	-
Non Current Investments	12	-	-
Deferred Tax Assets (Net)	13	-	-
Long Term Loans and Advances	14	-	-
Other Non-Current Assets	15	172,266	129,165
		172,266	129,165
<b>Current Assets</b>			
Current Investments	16	-	-
Trade Receivables	17	-	-
Cash and Cash Equivalents	18	333,734	387,689
Short Term Loans and Advances	14	-	-
Other Current Assets	19	-	-
		333,734	387,689
<b>Total</b>		<b>506,000</b>	<b>516,854</b>
Significant Accounting Policies and Notes to Accounts	1		
Other notes to the Financial statements	2 to 19		

As per our report attached  
Pravin G Kapadia

Chartered Accountant

Proprietor  
Membership No. 016776  
Place : Mumbai,  
Date : 22 May, 2015

For and on behalf of the Board of Directors

Bakul Jain      Vivek Jain      Mudit Jain  
Director          Director          Director

# DCW Pigments Ltd.

## Notes Forming a part of Financial Statements

### Note 1: Significant Accounting Policies and Practices

- The Company is yet to commence its commercial operations. Considering no immediate future business plans the financial statements are not prepared on a going concern basis and accordingly, Current assets and Current liabilities are stated at the values at which they are realizable / payable. In view of the above, the statement of profit and loss and Cash Flow statement has not been prepared. The Company had net cash outflow of Rs. 0.54 lac during the year, being the decrease in balance with bank at the year end compared with the balance at the beginning of the year.
- Expenses incurred during the year are shown under the head "Other Non-Current Assets" in the Balance Sheet.
- Since the Company has not commenced its commercial operations and there are no Fixed Asstes, other clauses are not applicable.
- Related party relationships on the basis of the requirements of Accounting Standard (AS) - 18 is as identified by the company and relied upon by the auditors.

Name of the related parties	Nature of relationship
DCW Limited	Holding company
Sahu Brothers Pvt. Ltd., Jain Sahu Brothers Properties Pvt. Ltd., Dhrangadhra Trading Company Pvt. Ltd.,	Entities in which key management personnel and / or their relatives have significant influence.

- Previous years figures have been regrouped wherever necessary.

Note No. 2	31-03-2015	31-03-2014
<b>SHARE CAPITAL</b>		
<b>Authorized Capital</b>		
100000 Equity Share @ Rs. 10 each	1,000,000	1,000,000
	<b>1,000,000</b>	<b>1,000,000</b>
<b>Issued, Subscribed and fully paid up Shares</b>		
50000 Equity Shares Of Rs.10 Each	500,000	500,000
	<b>500,000</b>	<b>500,000</b>

### 2.1 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity Shares:	31-03-2015		31-03-2014	
	Nos.	Value	Nos.	Value
At the beginning of the period	50,000	500,000	50,000	500,000
<b>Outstanding at the end of the period</b>	50,000	500,000	50,000	500,000
2.2 Aggregate number of bonus shares issued, share issued for consideration other than cash (and shares bought back) during the period of five years immediately preceding the reporting date:	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL

Details of shareholders holding more than 5% share in the company Equity Shares:	31-03-2015		31-03-2014	
	Nos.	% Holding	Nos.	% Holding
M/s. DCW Limited	50,000	100	50,000	100



# DCW Pigments Ltd.

## Notes Forming a part of Financial Statements

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

	31-03-2015	31-03-2014
<b>Note No. 3</b> RESERVE & SURPLUS	-	-
<b>Note No. 4</b> DEFERRED TAX LIABILITY (NET)	-	-
<b>Note No. 5</b> LONG TERM BORROWING	-	-
<b>Note No. 6</b> LONG TERM PROVISION	-	-
<b>Note No. 7</b> TRADE PAYABLES	-	-
<b>Note No. 8</b> SHORT TERM BORROWINGS	-	-
<b>Note No. 9</b> OTHER CURRENT LIABILITIES	6,000	16,854
<b>Note No. 10</b> SHORT TERM PROVISION	-	-
<b>Note No. 11</b> FIXED ASSETS	-	-
<b>Note No. 12</b> NON CURRENT INVESTMENT	-	-
<b>Note No. 13</b> DEFERRED TAX ASSETS (NET)	-	-
<b>Note No. 14</b> LOANS AND ADVANCES	-	-
<b>Note No. 15</b> OTHER NON-CURRENT ASSETS		
Preliminary Expenses	67,567	67,567
Pre- Operative Expenses	61,598	42,453
Opening Balance	43,101	19,145
Add: For the year		
	104,699	61,598
	<b>172,266</b>	<b>129,165</b>
<b>Note No. 16</b> CURRENT INVESTMENT	-	-
<b>Note No. 17</b> TRADE RECEIVABLE	-	-
<b>Note No. 18</b> CASH & CASH EQUIVALENTS		
Cash In Hand	-	-
Balance With Banks:		
Punjab National Bank	333,734	387,689
	<b>333,734</b>	<b>387,689</b>
<b>Note No. 19</b> OTHER CURRENT ASSETS	-	-

# Consolidated Accounts

## INDEPENDENT AUDITOR'S REPORT

### FOR THE YEAR ENDED 31ST MARCH 2015



TO THE BOARD OF DIRECTORS OF DCW LIMITED

#### Report on the Consolidated Financial Statements

1. We have audited the accompanying Consolidated Financial Statements of DCW LIMITED ("hereinafter referred to as the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss and 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

2. 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 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.
3. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of 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; 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 consolidated 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.

#### Auditor's Responsibility

4. 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 misstatements.
5. 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.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of his report is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Opinion

7. 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 as at 31st March, 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

#### Emphasis of Matter

8. We draw attention to Note 38 to the consolidated financial statements which describes the uncertainty related to the outcome of the petitions/appeals filed by the Holding Company in the matter of retrospective legislation and electricity tax demand of Rs.3568.70 lacs on captive power generated during the period 2003-2012 and in the matter of customs duty demand of Rs.2961.65 lacs on coal imported by the Holding Company during 2011 and 2012 respectively and hence have not been provided. Our opinion is not qualified in respect of this matter.

#### Other Matters

9. We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of Rs.5.06 lacs as at 31st March 2015, total revenues of Rs.Nil and net cash outflows amounting to Rs.0.54 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by the other auditor whose reports have 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 the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar 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 report of the other auditor.

### Report on Other Legal and Regulatory Requirements

10. 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 and its subsidiary incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
11. 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 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 and its subsidiary as on 31st March, 2015 and taken on record by the Board of Directors of the Holding Company and its subsidiary incorporated in India, none of the directors of the Holding Company and its subsidiary 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 Auditors) 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- Refer Notes 30 and 38 to the consolidated financial statements;
    - ii) the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 35(c) to the consolidated financial statements;
    - iii) there have been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India.

For V. SANKARAIYAR & CO.  
Chartered Accountants  
(Firm Registration No.109208W)

Place: Mumbai

Date: 23rd May, 2015

(S. Venkatraman)  
Partner  
Membership No.34319

**ANNEXURE REFERRED TO IN THE AUDITOR'S REPORT  
TO THE MEMBERS OF DCW LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2015**

- I. (a) The holding company has maintained proper records showing particulars including quantitative details and situation of Fixed Assets.
- (b) We are informed that the fixed assets have been physically verified by the Management with the assistance of external agencies during the year. In our opinion the frequency of verification is reasonable. As per the information given to us by the management, no material discrepancies as compared to book records were noticed in respect of the fixed assets verified during the year.
- ii. (a) The inventories of finished goods (except goods lying with consignees and in transit), stores, spare parts and raw materials (except coal stock lying with outside party and stocks in transit) have been physically verified by the management with the help of external agencies. In our opinion, the frequency of physical verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) In our opinion, the company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book stocks were not material and have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us, the company has not granted any loans 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 explanation that for purchase of certain raw materials, stores, components, and fixed assets, alternative sources of supply are limited with reference to quality, delivery schedules, credit period and some of the items purchased are of special nature, and hence comparable alternative quotations are not available for these, there are adequate internal control procedures commensurate with the size of the holding Company and the nature of its business for the purchase of inventories and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- v. According to the information and explanations given to us, the Group has not accepted any deposits from the public. Therefore, the provisions of clause (v) of the para 4 of the Order are not applicable to the Group.
- vi. The Central Government has prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of certain products manufactured in the holding company. We have broadly reviewed the records maintained by the holding company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
- vii. (a) According to the records of the holding company, the holding company is generally regular in depositing undisputed statutory dues payable including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and other statutory dues with appropriate authorities.

According to the information and explanations given to us, no undisputed amounts in respect of the aforesaid statutory dues were in arrears, as at 31st March, 2015, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the holding company, the dues of sales tax / income tax / customs duty / wealth tax / service tax / excise duty / value added tax / cess, which have not been deposited on account of any dispute are as follows:-

(Amount in Rs. lacs)

Name of the Statute / Nature of Dues	Period	Forum where dispute is pending					
		Supreme Court	High Court	Appel- late Tribunal*	Appellate Authority **	State Gove- rnment	Grand Total
Customs Act, 1962 (Custom Duty Including Penalty & Interest, wherever applicable)	1997 to 2015	-	-	4581.56	-	-	4581.56
Central Excise Act, 1944 (Excise Duty Including Penalty & Interest, wherever applicable)	1997 to 2015	-	82.50	384.76	90.54	-	557.80
Sales Tax legislations (sales tax, including penalty & interest wherever applicable)	1982 to 2015	-	3.57	534.90	959.32	1696.71	3194.50
Service Tax	2005 to 2015	-	-	-	39.17	-	39.17
Local cess, local cess surcharge [land revenue including penalty and interest wherever applicable]	1989 to 2015	-	275.45	-	-	12.49	287.94
<b>GRAND TOTAL</b>		-	<b>361.52</b>	<b>5501.22</b>	<b>1089.03</b>	<b>1709.20</b>	<b>8660.97</b>

\* Appellate Tribunal includes STAT, CESTAT & ITAT

\*\* Appellate Authority includes Commissioner Appeals, Assistant Commissioner Appeals, Deputy Commissioner Appeals, Joint Commissioner Appeals and Deputy Commissioner Commercial Taxes Appeals

(c) According to the information and explanation given to us, the amount required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act 1956 and rules made thereunder have been transferred by the holding company to the fund within time.

- viii. The holding company does not have any accumulated losses at the end of the financial year. The holding company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix. On the basis of verification of records and according to the information and explanations given to us, the Group has not defaulted in repayment of dues to Banks/Financial Institutions. The Group has not raised any monies against issue of debentures.
- x. According to the information and explanations given to us, the Group has not given any guarantee for loans taken by others from bank or financial institution.
- xi. In our opinion, the term loans taken during the year have, prima facie, been applied for the purpose for which they were raised.
- xii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, no material fraud on or by the company has been noticed or reported during the course of our audit.

For V. SANKAR AIYAR & CO.  
Chartered Accountants  
(Firm Registration No.109208W)

Place: Mumbai  
Date: 23rd May, 2015

(S. Venkatraman)  
Partner  
Membership No.34319

# CONSOLIDATED BALANCE SHEET

## As At 31st March, 2015



	Note	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds:</b>			
Share Capital	2	4,269.89	4,195.82
Reserves and Surplus	3	51,739.40	51,451.82
<b>Subtotal - Shareholders' funds</b>		<b>56,009.29</b>	<b>55,647.64</b>
<b>Non-current liabilities</b>			
Long-term borrowings	4	56,739.65	58,777.84
Deferred tax liabilities (net)	5	11,467.87	11,590.06
Long-term provisions	6	1,104.74	969.83
Other Long term liabilities (Refer note 32(e))		2,500.00	-
<b>Subtotal - Non Current liabilities</b>		<b>71,812.26</b>	<b>71,337.73</b>
<b>Current liabilities</b>			
Short-term borrowings	7	11,263.94	1,443.23
Trade payable	8	29,383.85	37,867.79
Other current liabilities	9	16,166.46	11,574.51
Short-term provisions	10	-	1,138.66
<b>Subtotal - Current liabilities</b>		<b>56,814.25</b>	<b>52,024.19</b>
<b>TOTAL</b>		<b>184,635.80</b>	<b>179,009.56</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets	11	63,507.31	66,127.04
Capital work in progress		84,946.69	71,792.87
Non-current investments	12	0.10	27.39
Long-term loans and advances	13	2,134.43	1,737.57
Other non-current assets	14	706.14	1,110.77
<b>Subtotal - Non current assets</b>		<b>151,294.67</b>	<b>140,795.64</b>
<b>Current assets</b>			
Inventories	15	16,559.74	20,361.32
Trade receivables	16	9,458.13	9,431.08
Cash and bank balances	17	576.49	345.16
Short-term loans and advances	18	6,746.77	8,076.36
<b>Subtotal - Current assets</b>		<b>33,341.13</b>	<b>38,213.92</b>
<b>TOTAL</b>		<b>184,635.80</b>	<b>179,009.56</b>
Summary of Significant Accounting Policies	1		
Other Notes to the financial statements	30-45		

As per our Report attached.  
For V.Sankar Aiyar & Co.  
Chartered Accountants  
FRN No. 109208W  
S.Venkatraman  
Partner  
Membership No. 34319  
Place: Mumbai  
Date: 23 May, 2015

Jigna Karnick  
Dy. Company Secretary

For and on behalf of the board  
Pramod Kumar Jain  
Chairman & Managing Director  
Bakul Jain  
Vivek Jain  
Mudit Jain  
Managing Directors  
Vimal Jain  
Chief Financial Officer



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March 2015

	Note	For the year ended 31/03/2015 Rs. in lacs	For the year ended 31/03/2014 Rs. in lacs
<b>Revenue from Operations</b>	19	<b>138,397.98</b>	145,937.84
Less : Excise Duty		<b>12,951.15</b>	13,382.63
Revenue from Operations, (net)		<b>125,446.83</b>	132,555.21
Other Income	20	<b>184.89</b>	131.42
<b>Total Revenue</b>		<b>125,631.72</b>	<b>132,686.63</b>
Expenses:			
Cost of materials consumed	21	<b>64,431.20</b>	69,579.49
Purchase of stock-in-trade	22	<b>7.22</b>	218.77
Changes in inventories of finished goods, work-in progress and stock-in-trade	23	<b>4,563.91</b>	(1,789.51)
Excise duty on inventory differential	24	<b>139.00</b>	(206.11)
Employee benefits expense	25	<b>9,216.25</b>	8,266.22
Finance costs	26	<b>1,868.72</b>	2,702.96
Depreciation	27	<b>5,200.17</b>	5,101.92
Other expenses	28	<b>40,621.63</b>	43,593.52
<b>Total Expenses</b>		<b>126,048.10</b>	<b>127,467.26</b>
Profit / (Loss) before exceptional, extraordinary items & tax		<b>(416.38)</b>	5,219.37
Exceptional Items	29	<b>60.16</b>	-
Profit / (Loss) before extraordinary items and tax		<b>(476.54)</b>	5,219.37
Extraordinary Items		-	-
Profit / (Loss) before tax		(476.54)	5,219.37
Tax expense:			
Current Tax		-	1,107.81
MAT Credit Utilised/ (Available for setoff)		<b>211.73</b>	(84.59)
Deferred tax		<b>(122.19)</b>	494.84
Tax Adjustments in respect of earlier years		<b>26.09</b>	(86.63)
Profit/(Loss)for the period from continuing operations		<b>(592.17)</b>	3,787.94
Profit / (Loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit / (Loss) for the period		<b>(592.17)</b>	3,787.94
Earning per equity share :			
Basic ( Face Value of Rs. 2/- each)		(0.28)	1.81
Diluted ( Face Value of Rs. 2/- each)		(0.28)	1.81
Summary of Significant Accounting Policies	1		
Other Notes to the Financial Statements	30-45		

As per our Report attached.  
For V.Sankar Aiyar & Co.  
Chartered Accountants  
FRN No. 109208W  
S.Venkatraman  
Partner

Membership No. 34319  
Place: Mumbai  
Date: 23 May, 2015

Jigna Karnick  
Dy. Company Secretary

For and on behalf of the board  
Pramod Kumar Jain  
Chairman & Managing Director  
Bakul Jain  
Vivek Jain  
Mudit Jain  
Managing Directors  
Vimal Jain  
Chief Financial Officer

# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015



Particulars	2014-15 Rs in Lacs	2013-14 Rs in Lacs
<b>A. Cash flow from operating Activities</b>		
Net profit before tax and extraordinary items	(476.54)	5,219.37
Adjustments for :		
Non-cash items		
Depreciation and amortisation expense	5,200.17	5,101.92
Unrealised foreign exchange loss/ (gain) (net)	-	-
Finance Costs	1,868.72	2,702.96
Interest income	(35.68)	(49.07)
(Profit) / Loss on Sale of Asset	(159.57)	65.88
Dividend income	(3.29)	(6.24)
Operating profit before working capital changes	6,393.81	13,034.82
Adjustments for :		
Trade and other receivables	1,372.16	456.51
Inventories	3,801.58	2,744.68
Trade and other payables	(4,153.74)	8,846.12
<b>Cash generation from operations</b>	7,413.81	25,082.99
Direct taxes paid	(554.29)	(1,912.02)
<b>Net cash flow from operating Activities</b>	<b>6,859.52</b>	<b>23,169.97</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of fixed Assets	(15,980.44)	(32,655.30)
Sale of Fixed Assets	77.01	52.69
Purchase / Sales of Investments	309.82	-
Investment in Fixed Deposits pledged towards Margin Money	(152.05)	32.29
Dividend Income	3.29	6.24
Interest income	35.68	49.07
Net cash used in investing Activities	<b>(15,706.69)</b>	<b>(32,515.01)</b>
<b>C. Cash from financing activities</b>		
Proceeds from issue of share capital	1,000.00	-
Proceeds from Long-Term Borrowing	7,877.07	26,908.80
Repayment of Long Term Borrowing	(6,902.72)	(8,273.89)
Short Term Borrowing (Net)	9,820.69	(5,873.95)
Finance Costs	(1,985.01)	(2,682.03)
Dividend paid	(755.25)	(755.25)
Tax on dividend	(128.35)	(128.39)
Net cash used in financing Activities	<b>8,926.43</b>	<b>9,195.29</b>
<b>Net increase in Cash and Cash equivalents</b>	<b>79.26</b>	<b>(149.75)</b>
<b>Cash &amp; Cash Equivalents as at 1st April 2014</b>	<b>167.38</b>	<b>317.13</b>
<b>Cash &amp; Cash Equivalents as at 31st March 2015</b>	<b>246.64</b>	<b>167.38</b>
	<b>(79.26)</b>	<b>149.75</b>

As per our Report attached.  
For V.Sankar Aiyar & Co.  
Chartered Accountants  
FRN No. 109208W  
S.Venkatraman  
Partner  
Membership No. 34319  
Place: Mumbai  
Date: 23 May, 2015

Jigna Karnick  
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For and on behalf of the board  
Pramod Kumar Jain  
Chairman & Managing Director  
Bakul Jain  
Vivek Jain  
Mudit Jain  
Managing Directors  
Vimal Jain  
Chief Financial Officer



# CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015:

## NOTE NO. 1

### SIGNIFICANT ACCOUNTING POLICIES

#### 1. SYSTEM OF ACCOUNTING:

- a. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.
- b. The financial statements have been prepared in all material respects with the Accounting Standards specified under Section 133 of the Co.'s Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- c. Financial statements are prepared on historical cost basis and as a going concern, adjusted for revaluation / diminution in value of certain fixed assets.

#### 2. USE OF ESTIMATES.

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.

#### 3. FIXED ASSETS AND DEPRECIATION:

##### A) Fixed Assets

Fixed Assets are stated at their original cost, net of Cenvat Credit where applicable (including expenses related to acquisition and installation) except certain Fixed Assets which are adjusted for revaluation.

##### B) Depreciation and Amortization

Depreciation is charged in the Accounts on straight line method as under:

- a) On assets revalued at Sahupuram Unit on 31-3-93 @ 3 % on the revalued cost based on revision in useful life estimated by the valuer of 33.33 years (Refer Note 11.1).
- b)

Assets Description	Useful Life(Years)
Continuous Process Plant	20
Cogeneration Power Plant	25
Electrical Installation Other than in Cogen Power Plant	15
Salt Works	1
Cars & Two Wheelers	5

as determined by a Chartered Engineer & Valuer.

- c) On fixed assets costing less than Rs. 5000/- each, at 100%
- d) On balance fixed assets of the company based on the useful life specified in Schedule II to the Companies Act, 2013.
- e) On fixed assets added/disposed of during the year, on pro-rata basis with reference to the month of addition/disposal.
- f) On Technical Know-how fees at 33.33%.

Residual value of the fixed assets are held at 5% except that of Furniture and fixtures and Office equipment at Re. 1 as estimated by the Chartered Engineer & Valuer.

#### 4. REVENUE RECOGNITION:

Revenue is recognized to the extent that it can be reliably measured and is probable that the economic benefit will follow to the company.

- a) Sales: Revenue from sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the customer and is stated net of trade discounts, excise duty, sales returns.
- b) Interest: Revenue is recognized on time proportion basis taking into account the outstanding amount and the applicable rate of interest
- c) Dividends: Revenue is recognized when the right to receive payment is established.

#### 5. EXPENDITURE DURING CONSTRUCTION AND ON NEW PROJECTS:

In the case of new projects and in the case of modernization/expansion of existing units, interest on borrowing for the same and all pre-operative expenditure, incurred during implementation up to the date of installation are included under Capital Work in Progress and capitalized by adding pro-rata to the cost of the assets.

#### 6. INVESTMENTS:

The Company's investments comprise long term and current investments. Long Term investments are stated at cost less permanent diminution, if any, in value. Current investments are stated at lower of cost or fair value.

#### 7. INVENTORIES:

Inventories are valued at lower of cost and net realizable. Stores, spares and stock in process and fuel are valued at lower of cost less provision for slow and non-moving inventory, if any, and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated

# CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST MARCH, 2015:



are expected to be sold at or above cost. Scrap and by products which are valued at net realizable value. Cost is computed on weighted average basis and includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

### 8. ACCOUNTING FOR CENVAT AND SERVICE TAX CREDITS:

Cenvat credit available on Raw Materials, Fuel and Packing materials, stores, spares and Capital goods and Service tax credit on services availed are accounted for by reducing purchase cost of the related material or the expenses respectively and Cenvat Credit available on fixed assets is accounted by reducing the same from the cost of respective fixed assets.

### 9. FOREIGN CURRENCY TRANSACTIONS:

- Transactions in Foreign Currency are recorded at the exchange rates prevailing on the date of Transactions.
- Monetary items denominated in foreign currencies (such as cash receivables, payables, etc.) outstanding at the year end, are translated at exchange rate applicable as of that date.
- Non-monetary items denominated in foreign currency (such as investments, fixed assets, etc.) are valued at the exchange rate prevailing on the date of transaction.
- Any gains or losses arising due to exchange differences at the time of translation or settlement are accounted in the Profit & Loss Account, except as indicated in Note No 11.2 (Fixed Assets Schedule).
- Premium/discounts on forward exchange contracts are amortized over the life of the contract and recognized in the Profit and Loss account, exchange differences on such contracts are recognized in the profit and loss account in the reporting period in which the exchange rates change.

### 10. RESEARCH & DEVELOPMENT EXPENDITURE:

Revenue Expenditure on Research & Development is charged to Statement of Profit and Loss. Capital expenditure on Research & Development is shown as an addition to fixed assets.

### 11. BORROWING COSTS:

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

### 12. EMPLOYEE BENEFITS:

- Contributions to Provident fund are made to recognized funds and are charged to Profit & Loss Account. The interest rate payable by recognized Provident Fund shall not be lower than the statutory rate of interest declared by Central Government and shortfall, if any, shall be made good by the company.
- The Superannuation Fund is a Defined Contribution Scheme managed by LIC and SBI Life Insurance Company and contributions made to the fund are charged to Profit and Loss Account.
- The company has created an Employees' Group Gratuity Fund which has taken a Group Gratuity Assurance Scheme with the Life Insurance Corporation of India. The Gratuity liability is provided based on actuarial valuation arrived on the basis of projected unit credit method are determined at the end of each year.
- Liabilities towards Leave Encashment Benefit are provided for based on actuarial valuation done at the year end.
- Contribution to Employee Pension Scheme 1995, are accounted on accrual basis with corresponding remittance made to Government Provident Fund authority.

### 13. PROVISIONS & CONTINGENCIES:

- Show cause notices of Government Authorities are not considered as obligation till demand notices are issued against such show cause notices. The demand notices when issued are considered as disputed obligations.
- A provision arising out of a present obligation is recognized when it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated
- Wherever there is a possible obligation that may, but probably will not require an outflow of resources, the same is disclosed by way of contingent liability.

### 14. TAXES ON INCOME:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence as per Accounting Standard-22 (Accounting for taxes on income) on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only to the extent that there is timing difference, the reversal of which will result in sufficient income. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future.

### 15. IMPAIRMENT OF ASSET:

The carrying amount of assets are reviewed at each balance sheet date for indication of any impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount. Any such impairment loss is recognized by charging it to the profit and loss account. A previously recognized impairment loss is reversed where it no longer exists and the asset is restated to that effect.



## CONSOLIDATED NOTES FORMING PART OF THE BALANCE SHEET

### NOTE "2"

#### SHARE CAPITAL

##### Authorised Capital

32,50,00,000 Equity Shares of Rs. 2/- each  
(Previous Year 32,50,00,000 Equity Shares @ Rs. 2/- each)

##### TOTAL

Issued, Subscribed and Fully paid up

21,34,94,314 Equity Shares of Rs. 2/- each  
(Previous Year 20,97,90,953 shares of Rs. 2/- each)

Face value per share

##### TOTAL

AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
6,500.00	6,500.00
<b>6,500.00</b>	<b>6,500.00</b>
4,269.89	4,195.82
Rs. 2/-	Rs. 2/-
<b>4,269.89</b>	<b>4,195.82</b>

- a) 2,36,10,000 Shares were issued and allotted on preferential basis to the promoter of the company and FII's during 2007-2008
- b) 1,36,36,363 & 37,03,361 Shares were issued and allotted to the promoters on conversion of warrants issued on preferential basis to promoters group during 2011-2012 & 2014-2015 respectively.
- c) Name of Share Holders holding more than 5% shares

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	% held	No. of Shares	% held
Sahu Brothers P Ltd	5,12,59,860	24.01	5,01,48,156	23.90

The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31.3.2015	As at 31.3.2014
	Nos of Shares	Nos of Shares
Equity Shares at the beginning of the year	20,97,90,953	20,97,90,953
Add: Shares Issued on conversion of warrants to promoters on preferential basis	3703361	-
<b>Equity Shares at the end of the year</b>	<b>21,34,94,314</b>	<b>20,97,90,953</b>

# CONSOLIDATED NOTES FORMING PART OF THE BALANCE SHEET



	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>NOTE "3"</b>		
<b>Reserves and Surplus</b>		
<b>Capital Reserves</b>		
As per last Balance Sheet	406.88	406.88
Closing Balance	<b>406.88</b>	<b>406.88</b>
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	5.30	5.30
Closing Balance	<b>5.30</b>	<b>5.30</b>
<b>Securities Premium Reserve</b>		
Opening Balance	10,667.98	10,667.98
Add: Additions During the Period	925.92	-
Closing Balance	<b>11,593.90</b>	<b>10,667.98</b>
<b>Revaluation Reserve</b>		
Opening Balance	769.27	809.16
Less: Transfer to Profit & Loss A/c	46.18	39.89
Closing Balance	<b>723.09</b>	<b>769.27</b>
<b>General Reserve</b>		
Opening Balance	31,301.04	28,801.04
Add: Additions During the Period	-	2,500.00
Closing Balance	<b>31,301.04</b>	<b>31,301.04</b>
<b>Surplus</b>		
Opening Balance	8,301.36	7,897.03
Add: Profit / (Loss) for the period	(592.17)	3,787.94
Less: Transfer to General Reserve	-	2,500.00
Less: Proposed Dividend on Equity Shares	-	755.25
Less: Tax on Dividend	-	128.36
Closing Balance	<b>7,709.19</b>	<b>8,301.36</b>
<b>TOTAL</b>	<b>51,739.40</b>	<b>51,451.82</b>
<b>NOTE "4"</b>		
<b>Long-term Borrowings</b>		
<b>Term Loans</b>		
From banks	31,659.36	31,993.48
From Financial Institutions	25,080.29	26,784.36
<b>TOTAL</b>	<b>56,739.65</b>	<b>58,777.84</b>



# CONSOLIDATED NOTES FORMING PART OF THE BALANCE SHEET

NOTE NO. 4

Rs. in lacs

SR NO	PARTICULARS	31.03.2015	31.03.2015	31.03.2014	31.03.2014
		Non Current	Current Maturities	Non Current	Current Maturities
	<b>TERM LOANS - SECURED</b>				
<b>A</b>	<b>FROM BANKS:</b>				
<b>1</b>	<b>TERM LOANS FROM STATE BANK OF INDIA SYNDICATION</b> (Repayble in 24 equal quarterly installments, last installment falling due in August, 2014)	-	-	-	875.78
<b>2</b>	<b>TERM LOAN FROM STATE BANK OF PATIALA</b> (Repayble in 24 equal quarterly installments, last installment falling due in September 2014)	-	-	-	625.00
<b>3</b>	<b>TERM LOAN FROM ING VYSYA BANK LTD</b> (Repayble in 24 equal quarterly installments, last installment falling due on June, 2017)	292.50	350.10	650.11	342.59
<b>4</b>	<b>ECB FROM ICICI BANK</b> (Repayble in 12 equal Half yearly installments, last installment falling due in December, 2015)	-	2,101.00	1,996.99	1,996.99
<b>5</b>	<b>TERM LOAN FROM ICICI BANK LTD</b> (Repayble in 28 equal quarterly installments, last installment falling due in June, 2022)	6,428.58	1,071.42	7,249.65	-
<b>6</b>	<b>TERM LOAN FROM LAXMI VILAS BANK</b> (Repayble in 16 equal quarterly installments, last installment falling due in January, 2017)	1,000.00	1,000.00	2,000.00	1,000.00
<b>7</b>	<b>Term Loan from PNB</b> (Repayble in 28 equal quarterly installments, last installment falling due in March, 2023)	12,443.34	-	12,443.34	-
<b>8</b>	<b>Term Loan from ICICI Bank</b> (Repayble in 28 equal quarterly installments, last installment falling due in April -2023)	4,073.72	-	2,500.00	-
<b>9</b>	<b>TERM LOAN FROM STATE BANK OF TRAVANCORE</b> (Repayble in 28 equal quarterly installments, last installment falling due in April -2023)	2,314.16	-	2,314.17	-
<b>10</b>	<b>Term Loan From Development Credit Bank</b> (Repayble in 16 equal quarterly installments, last installment falling due in December 2018)	2,062.50	750.00	2,750.00	250.00
<b>11</b>	<b>Car Loans from Bank</b> (Repayable in monthly installments, last installment is due in Mar 2016)	44.55	94.53	89.22	105.51
<b>12</b>	<b>State Bank of India</b> (Repayble in 16 equal quarterly installments, last installment falling due in Sept 2019)	3,000.00	800.00	-	-
	<b>TOTAL A</b>	<b>31,659.35</b>	<b>6,167.05</b>	<b>31,993.48</b>	<b>5,195.87</b>
<b>B</b>	<b>FROM INSTITUTIONS:</b>				
<b>13</b>	<b>TERM LOAN FROM IREDA</b> (Repayble in 44 equal quarterly installments, last installment falling due in June 2022)	5,095.96	729.56	5,825.49	729.56
<b>14</b>	<b>TERM LOAN FROM EXIM BANK</b> (Repayble in 24 equal quarterly installments, last installment falling due in June 2016)	-	487.92	243.79	976.00
<b>15</b>	<b>TERM LOAN FROM EXIM BANK</b> (Repayble in 28 equal quarterly installments, last installment falling due in Sept 2022)	15,184.34	2,530.73	17,715.08	-
<b>16</b>	<b>TERM LOAN FROM EXIM BANK</b> (Repayble in 28 equal quarterly installments, last installment falling due in Sept 2024)	4,800.00	-	3,000.00	-
	<b>TOTAL B</b>	<b>25,080.30</b>	<b>3,748.21</b>	<b>26,784.36</b>	<b>1,705.56</b>
<b>C</b>	<b>FROM NBFC:</b>				
<b>17</b>	<b>Term Loan - NBFC</b>	-	-	-	1.30
	<b>TOTAL C</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.30</b>
	Amount taken to current maturities of long term debts under other current liabilities ( Note No 9 )	-	9,915.26	-	6,902.73
	<b>TOTAL (A + B + C)</b>	<b>56,739.65</b>	<b>58,777.84</b>	<b>58,777.84</b>	<b>12,804.46</b>

# CONSOLIDATED NOTES FORMING PART OF THE BALANCE SHEET



## LOANS – Security : Banks/ Institutions

Term Loans and External Commercial Borrowings from Banks and Institutions are secured by a pari-passu first charge by way of hypothecation of movable fixed assets of the Company, including movable machinery spares, stores and further secured by mortgage on all the immovable properties of the Company situated in the states of Tamilnadu and Gujarat on first pari passu charge basis and second charge on Current Assets.

### Institutions:

The term loans from IREDA is secured by first charge on moveable properties and assets pertaining to windmill assets in the state of Rajasthan on specific charge basis.

### NBFC:

Term loan from NBFC are secured by creation of charge on all the assets purchased under the loan.

NOTE "5"	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>Deferred tax liabilities (net)</b>		
Deferred Tax Liability	11,961.65	12,013.84
Less: Deferred Tax Asset	493.78	423.78
<b>TOTAL</b>	<b>11,467.87</b>	<b>11,590.06</b>

The break up of Deferred Tax Assets / Liabilities are as under:

Nature of timing difference	Deferred Tax Liability / (Assets) as at 1st April 2014	(Debit/Credit) for the year	Deferred Tax Liability / (Asset) as at 31st March 2015
<b>(a) Deferred tax liabilities</b>			
Difference between accounting and tax Depreciation	12013.84	(52.19)	11961.65
<b>Sub-total</b>	12013.84	(52.19)	11961.65
<b>(b) Deferred tax assets</b>			
Expenses allowed on payment basis	423.78	70.00	493.78
<b>Sub-total</b>	423.78	70.00	493.78
	11590.06	(122.19)	11467.87

NOTE "6"	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>Long term provisions</b>		
Provision for Gratuity	26.48	3.37
Provision for Leave Encashment	1078.26	966.46
<b>TOTAL</b>	<b>1104.74</b>	<b>969.83</b>
<b>NOTE "7"</b>		
<b>Short-term borrowing (from Banks Secured)</b>		
Loans repayable on demand		
Working Capital	5,999.90	429.74
Line of Credit	5,264.04	1,013.49
<b>TOTAL</b>	<b>11,263.94</b>	<b>1,443.23</b>



# CONSOLIDATED NOTES FORMING PART OF THE BALANCE SHEET

## LOANS – Security

### Working Capital

Loans from Banks Working Capital facilities are secured by a first charge by way of hypothecation and/or pledge of current assets, namely, stocks of materials, semi-finished and finished goods, consumable stores and spares including machinery spares not capitalized, bills receivable and book debts and further secured by a second charge by way of hypothecation over all of movable plant and machinery and by way of mortgage by deposit of title deeds over the immovable properties, both present and future, such mortgage to rank second to the mortgages created/to be created in favour of term loan lenders viz., Banks / Financial Institution.

	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>NOTE "8"</b>		
<b>Trade Payables</b>		
Acceptances against Letters of Credit	21,409.07	28,207.83
Dues to Micro and Small Enterprises (Refer Note No 39)	131.90	29.69
Sundry Creditors (other than dues of Micro and Small Enterprises)	7,842.88	9,630.27
<b>TOTAL</b>	<b>29,383.85</b>	<b>37,867.79</b>
<b>NOTE "9"</b>		
<b>Other current liabilities</b>		
Current maturities of long term borrowings		
From banks	6,167.05	5,195.87
From Financial Institutions	3,748.21	1,705.56
From NBFC	-	1.30
Interest accrued but not due on borrowings	76.31	192.59
Unclaimed dividends #	67.23	63.78
Unpaid matured deposits and interest accrued thereon	0.04	0.04
Advance received from customers	1,311.99	55.65
Statutory Liabilities	980.74	1,562.74
Employee related liabilities	685.66	1,050.22
Trade and Other Deposits	402.70	462.40
Creditors for Capital Goods	2,726.53	1,284.36
# Do not include any amount due & outstanding to be credited to investor education & protection fund		
<b>TOTAL</b>	<b>16,166.46</b>	<b>11,574.51</b>
<b>NOTE "10"</b>		
<b>Short-term provisions</b>		
Proposed Dividend - Equity	-	755.25
Tax on Dividend	-	128.36
Provision for taxation (Net of Advance Tax)	-	255.05
<b>TOTAL</b>	<b>-</b>	<b>1138.66</b>

## NOTES FORMING PART OF THE BALANCE SHEET

(Rs. in Lakhs)											
Description of Assets	At cost or revaluation book value Apr-14	Additions and other transfers	Adjustment (Ref. Note)	Sales and other deductions	At cost or revaluation book value 31st March 15	Opening Depreciation as on 01.04.2014	Adjustments for the year	Dep. On Discarded/Sold Assets	As at 31st March 15	Net Block As at 31st March 15	As at 31st March 14
Land	531.93	6.18	-	-	538.11	-	-	-	538.11	531.93	531.93
Buildings	9,455.34	115.96	131.13	-	9,702.44	2,830.04	637.81	-	6,234.58	6,625.30	6,625.30
Plant and Machinery	91,119.19	2,098.36	228.04	326.76	93,118.82	43,644.30	3,522.32	136.62	47,030.00	46,088.82	47,474.88
Wind Mill	12,131.51	9.30	-	-	12,140.81	1,928.82	501.31	-	2,430.13	9,710.68	10,202.68
Furniture & Fittings	698.29	11.37	-	2.32	707.34	480.18	133.67	1.86	611.98	95.37	218.12
Office Equipments	590.98	76.03	-	3.15	663.85	353.48	96.22	0.66	449.04	214.76	237.50
Vehicles	1,588.94	150.25	-	62.99	1,676.21	752.32	355.02	56.10	1,051.22	624.98	836.63
<b>TOTAL</b>	116,116.18	2,467.45	359.17	395.22	118,547.58	49,989.14	5,246.35	195.25	55,040.23	63,507.31	66,127.04
<b>Previous Year</b>	111,339.38	4,515.42	514.00	252.62	116,116.18	44,981.36	5,141.83	134.05	49,989.14	66,127.04	66,358.02

### Notes :- 11

- 11.1 The Depreciation charge on the assets revalued on 31.03.1993 is more by Rs. 46.18 Lacs (Previous year Rs. 39.90 Lacs) than the depreciation charge thereon under Companies Act, 2013 and the same is met by drawing from Revaluation Reserve. The Uplift on revalued assets discarded amounting to Rs. Nil Lacs (Previous Year Rs. Nil Lacs) has also been met by drawing from Revaluation Reserve.
- 11.2 The Company opted for accounting foreign exchange difference on realignment of long term foreign currency loan related to acquisition of depreciable capital assets, as per AS 11 amended by the Companies (Accounting Standard) Amendment Rules 2009. Accordingly exchange difference of Rs. 116.92 Lacs (Previous Year Rs. 514.00 Lacs) relating to current year has been added to the cost of fixed assets and depreciation had been charged to Profit & Loss Account.
- 11.3 Adjustment of Rs. 242.25 Lacs in Building and Plant & Machinery has been made during the current year for rectification of error relating to previous year.
- 11.4 Building includes Rs. 523.06 Lacs being cost of ownership flats and office accommodation in Co-operative Societies and a Limited Company against which the company holds shares of the face value of Rs. 0.77 Lacs in Co-operative Societies and the Limited Company.
- 11.5 Assignment deeds in respect of 9.13 acres of land at Caustic Soda Division, transferred by Central Government to the State Government, are yet to be executed by the State Government in favour of the Company.
- 11.6 Land, Building and Plant & Machinery located at Sahapuram Works (other than PVC Division) were revalued on 31st March 1993.
- 11.7 The Company exercised the option to purchase 793.39 acres of land leased by the State Government at Sahapuram works. Assignment deeds in respect of the said land is yet to be executed by the State Government in favour of the Company.
- 11.8 Encroachers have occupied some portion of the land belonging to the company at Sahapuram. Efforts are being made to evict them.
- 11.9 Previous Period figures have been regrouped/rearranged to match with the current year.





# CONSOLIDATED NOTES FORMING PART OF THE BALANCE SHEET

NOTE NO. 12 :

INVESTMENTS (AT COST, UNLESS OTHERWISE SPECIFIED) :

INVESTMENTS IN EQUITY INSTRUMENTS :

Rs. in lacs

	FACE VALUE (RUPEES) UNIT	31.03.2015		31.03.2014	
		LONG TERM		LONG TERM	
		NOS.	RUPEES	NOS.	RUPEES
<b>NON-TRADE INVESTMENTS :</b>					
<b>UNQUOTED :</b>					
(I) INVESTMENTS IN GOVERNMENT/TRUST SECURITIES :					
7 YEARS NATIONAL SAVINGS CERTIFICATES	1000	10	0.10	10	0.10
(ii) INVESTMENT IN EQUITY SHARES OF THE DHRANGADHRA PEOPLES CO-OP. BANK LTD.,*	25	10	0.250	10	0.250
(iii) INVESTMENT IN EQUITY SHARES IN COMPANIES :					
GLOBAL TRUST BANK	10	19,000	1.90	19,000	1.90
LESS : PROVISION FOR DEMINATION OF VALUE IN SHARES		19,000	1.90	19,000	1.90
<b>QUOTED :</b>					
INVESTMENTS IN EQUITY SHARES OF THE COMPANIES :					
LIC HOUSING FINANCE LIMITED	2	-	-	87,000	10.44
TATA CONSULTANCY SERVICES	1	-	-	12	0.03
RELIANCE INDUSTRIES LIMITED	10	-	-	3,504	16.82
		-	-	-	<b>27.29</b>
<b>TOTAL LONG TERM INVESTMENT</b>			<b>0.10</b>		<b>27.39</b>
.* Figures Denote Amount in Rupees					
<b>OTHER DISCLOSURES :</b>					
(I) Aggregate value of quoted investments (Gross)			0.10		27.29
Market value of quoted investments			-		237.88
(II) Aggregate value of unquoted investments (Gross)			2.00		7.00
(III) Aggregate value of dimunition in value of investments			1.90		1.90

# CONSOLIDATED NOTES FORMING PART OF THE BALANCE SHEET



	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>NOTE "13"</b>		
<b>Long-term loans and advances</b>		
Capital Advances	1,751.51	1,407.02
Security Deposits	355.73	284.60
Loans and advances to related parties (Refer Note No. 33)	5.64	5.64
Staff Loans & Advances	9.23	21.71
Vat Refund Receivable A/C	12.32	18.60
<b>TOTAL</b>	<b>2,134.43</b>	<b>1,737.57</b>
<b>NOTE "14"</b>		
<b>Other non-current assets</b>		
Receivable under Forward Cover Contracts	193.34	386.67
Mat Credit Entitlement	511.08	722.81
Pre-Operative Expenses	1.72	1.29
<b>TOTAL</b>	<b>706.14</b>	<b>1,110.77</b>
<b>NOTE "15"</b>		
<b>Inventories</b>		
<b>(As Certified by the Management)</b>		
Raw materials	10,432.07	9,370.36
Work-in-process	66.48	44.78
Finished goods	3,501.12	8,217.14
Stores , Spares and Fuel	2,404.97	2,536.63
Packing Materials	152.44	181.17
Packing Drums & Scrap	2.66	2.66
Coke dust, Gypsum	-	-
Shares	-	8.58
<b>TOTAL</b>	<b>16,559.74</b>	<b>20,361.32</b>



## CONSOLIDATED NOTES FORMING PART OF THE BALANCE SHEET

### NOTE "16"

#### Trade Receivables

Trade Receivable outstanding for a period exceeding six months

- Secured, considered good
- Unsecured considered good
- Doubtful

Less: Provision for doubtful debts

#### Other Trade Receivables

- Unsecured, considered good

#### TOTAL

	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>NOTE "16"</b>		
<b>Trade Receivables</b>		
Trade Receivable outstanding for a period exceeding six months		
-Secured, considered good	-	30.00
-Unsecured considered good	1192.74	212.50
-Doubtful	20.21	261.25
Less: Provision for doubtful debts	(20.21)	(261.25)
<b>Other Trade Receivables</b>		
-Unsecured, considered good	8265.39	9188.58
<b>TOTAL</b>	<b>9,458.13</b>	<b>9,431.08</b>
<b>NOTE "17"</b>		
<b>Cash and Cash Equivalents</b>		
Balances with Banks in current account	224.15	149.76
Cheques,drafts on hand	0.07	0.06
Cash on hand	22.43	17.56
Other Bank Balances	246.65	167.38
Fixed Deposit	329.84	177.78
<b>TOTAL</b>	<b>576.49</b>	<b>345.16</b>
<b>NOTE "18"</b>		
<b>Short-term loans and advances</b>		
Advance recoverable in cash or in kind or for value to be received	2,046.41	1,721.95
Taxes paid (Net)	273.14	-
Staff Loans	96.42	217.85
Prepaid Expenses	321.53	159.13
Balances with Customs, Central Excise, etc,	4,009.27	5,977.43
<b>TOTAL</b>	<b>6,746.77</b>	<b>8,076.36</b>

# CONSOLIDATED NOTES FORMING PART OF THE BALANCE SHEET



	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>NOTE "19"</b>		
<b>Revenue from Operations sale of Products</b>		
-Direct sales of manufactured products	87,112.49	87,799.06
-Consignment sales of manufactured products	34,711.25	34,452.78
-Export sales of manufactured products	15,830.33	22,458.80
-Sales of traded goods	13.72	198.74
Sale of Scrap and other materials	364.73	408.50
<b>Other Operating Income</b>		
Sale of DEP B Licence	365.46	619.96
<b>TOTAL</b>	<b>138,397.98</b>	<b>145,937.84</b>
Less : Excise duty	12,951.15	13,382.63
<b>TOTAL</b>	<b>125,446.83</b>	<b>132,555.21</b>
<b>NOTE "20"</b>		
<b>Other Income</b>		
Interest Income (TDS Rs. 1.51 lacs (PY Rs. 2.99 lacs))	35.68	49.07
Dividend Income on long-term investments	2.84	4.11
Dividend Income on current investments	0.45	2.13
Profit on Sale of Fixed Assets	6.28	2.68
Unclaimed balance written back	32.75	8.51
Insurance claims received	29.23	8.95
Other Non-operating Income	77.66	55.97
<b>TOTAL</b>	<b>184.89</b>	<b>131.42</b>
<b>NOTE "21"</b>		
<b>Cost of Material consumed</b>		
Opening stock in hand and in process	9,370.35	9,753.72
Add: Purchase of Raw materials	65,492.92	69,196.12
Less: Closing stock in hand and in process	10,432.07	9,370.35
<b>TOTAL</b>	<b>64,431.20</b>	<b>69,579.49</b>
<b>NOTE "22"</b>		
<b>Purchase of Stock in Trade</b>		
Purchase of Stock in Trade	7.22	218.77
<b>TOTAL</b>	<b>7.22</b>	<b>218.77</b>



# CONSOLIDATED NOTES FORMING PART OF THE BALANCE SHEET

## NOTE "23"

### Changes in inventories of finished goods, work-in-progress and stock-in-trade

#### Closing stock:

	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
Finished Goods	(3,021.00)	(7,598.03)
Work-in-process	(66.48)	(44.78)
Packing Drums and Scrap	(2.66)	(2.66)
Coke dust, Gypsum	-	-
Traded Shares	-	(8.58)
	<b>(3,090.14)</b>	<b>(7,654.05)</b>

#### Opening Stock:

Finished Goods	7,598.03	5,784.60
Work-in-process	44.78	33.18
Packing Drums and Scrap	2.66	2.66
Coke dust, Gypsum	-	35.52
Traded Shares	8.58	8.58
	<b>7,654.05</b>	<b>5,864.54</b>

### TOTAL

<b>4,563.91</b>	<b>(1,789.51)</b>
-----------------	-------------------

## NOTE "24"

### Excise duty on inventory differential

Excise Duty in Closing Stock	(480.12)	(619.12)
Excise Duty in Opening Stock	619.12	413.01
	<b>139.00</b>	<b>(206.11)</b>

### TOTAL

## NOTE "25"

### Employee benefits expense

Salaries and wages	7,181.86	6,520.48
Contributions to provident and other funds	859.96	667.36
Staff Welfare Expenses	693.00	633.06
Directors Remuneration (Net of Capitalisation of Rs.200.44 lacs (PY. Rs. 70.01 lacs))	481.43	445.32
	<b>9,216.25</b>	<b>8,266.22</b>

### TOTAL

## NOTE "26"

### Finance costs

Interest expense	1,469.79	2,243.68
Other borrowing costs	52.50	34.48
Bank Charges	346.43	424.80
	<b>1,868.72</b>	<b>2,702.96</b>

### TOTAL

# CONSOLIDATED NOTES FORMING PART OF THE BALANCE SHEET



	AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
<b>NOTE "27"</b>		
<b>Depreciation</b>		
Depreciation provided on fixed assets	5,246.35	5,141.81
Less: Drawn from Revaluation Reserve	(46.18)	(39.89)
<b>TOTAL</b>	<b>5,200.17</b>	<b>5,101.92</b>
<b>NOTE "28"</b>		
<b>Other expenses</b>		
Packing charges	1,674.88	1,596.99
Power and fuel	22,543.95	23,975.21
Operating and maintenance expenses	1,459.56	1,800.14
Rent	93.67	101.02
Repairs to building	970.16	1,025.25
Repairs to machinery	4,860.39	4,697.78
Repairs to other assets	558.28	519.37
Insurance	275.58	293.20
Rates and Taxes	33.42	89.64
Licence fees paid	54.75	52.57
<b>TOTAL A</b>	<b>32,524.64</b>	<b>34,151.17</b>
<b>Payments to auditors</b>		
-as auditors	12.50	10.00
-for taxation matters (Includes Tax Audit Fees Rs.5.50 lacs (Previous Year Rs. 2.50 lacs))	9.10	6.31
-for other services	4.17	4.54
-for reimbursement of expenses	3.77	3.86
<b>TOTAL B</b>	<b>29.54</b>	<b>24.71</b>
Travelling expenses	272.33	232.84
Conveyance expenses	225.35	204.74
Advertisement expenses	16.13	19.18
Professional fees	320.47	385.48
Directors Sitting Fees	3.20	3.95
Assets Sold or Written off	129.24	68.56
Wealth tax paid	6.37	6.52
Donation	4.65	8.69
Freight, Transportation, Loading and other Charges (net)	3,802.92	3,532.23
Commission to wholesalers / others	586.38	648.20
Cash discount	157.47	197.69
Vehicle expenses	121.45	112.78
Exchange Difference (Net)	1,495.83	3,141.35
Bad Debts w/off	212.80	-
Provision for Doubtful debts	(241.04)	-
Miscellaneous Expenses	953.90	855.43
<b>TOTAL C</b>	<b>8,067.45</b>	<b>9,417.64</b>
<b>TOTAL A+B+C</b>	<b>40,621.63</b>	<b>43,593.52</b>



# CONSOLIDATED NOTES FORMING PART OF THE BALANCE SHEET

## NOTE "29"

### Exceptional Item

Provision for Electricity Tax

Profit on sale of Investment / Trade Shares

### TOTAL

## NOTE "30"

### A. CONTINGENT LIABILITIES NOT PROVIDED FOR:

1 Disputed Sales Tax Demands

2 Disputed Excise/Service Tax Demands

3 Disputed Customs Demands

4 Company's contribution to ESI not made pursuant to petitions for exemption pending before High Court.

5 Lease Rent, Local Cess, Octroi, Interest on Octroi Surcharge, Stamp Duty, Water and Electricity duty

6 Disputed Industrial relations matters

### B. Claims not acknowledged as debts:

#### Total

### C. GUARANTEE AS A MEMBER OF THE ALKALI MFG.

ASSN. ( A Company Limited by Guarantee)

AS AT 31/03/2015 Rs. in lacs	AS AT 31/03/2014 Rs. in lacs
422.69	-
(362.53)	-
<b>60.16</b>	<b>-</b>
3,271.89	4,100.39
635.61	488.15
3,121.26	321.18
156.57	187.01
8,472.34	4,797.97
521.96	523.96
<b>16,179.63</b>	<b>10,418.66</b>
Rs 500	Rs 500

Note No. 31 to 44 Please refer to standalone accounts of DCW Limited

Note No.45

Previous year figure are regrouped to match current year grouping

As per our Report attached.

For V.Sankar Aiyar & Co.

Chartered Accountants

FRN No. 109208W

S.Venkatraman

Partner

Membership No. 34319

Place: Mumbai

Date: 23 May, 2015

Jigna Karnick

Dy. Company Secretary

For and on behalf of the board

Pramod Kumar Jain

Chairman & Managing Director

Bakul Jain

Vivek Jain

Mudit Jain

Managing Directors

Vimal Jain

Chief Financial Officer

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Registered office: Dhrangadhra - 363 315, Gujarat  
Tel .No. 22871914,22871916, 22020743 • Fax: 22 2202 8838  
Email : ho @dcw ltd.com • Website:www.dcw ltd.com  
CIN No.L24110GJ1939PLC000748

### Proxy Form

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

Name of the Member(s) : .....  
Registered address : .....  
E-mail : .....  
Folio no./Client Id/DP Id : .....  
No. of shares : .....

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

Name : ..... E-mail: .....  
Address : .....  
Signature .....

or failing him / her

Name : ..... E-mail: .....  
Address : .....  
Signature .....

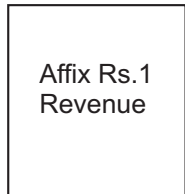
or failing him / her

Name : ..... E-mail: .....  
Address : .....  
Signature .....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 76th Annual General Meeting of the Company, to be held on Thursday, 27th August, 2015 at 10.00 A.M. at Dhrangadhra - 363 315, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
<b>Ordinary business</b>	
1.	To consider and adopt the Audited Financial Statement for the year ended March 31, 2015 and the Reports of the Directors and the Auditors thereon.
2	To appoint a Director in place of Shri Mudit Jain, who retires by rotation and, being eligible, offers himself for reappointment.
3	To appoint Auditors and to fix their remuneration and in this connection, to pass, with or without modification(s), the Resolution satout in the notice as an Ordinary Resolution
Special Business	
4	To approve the remuneration of the Cost Auditors for the financial year ending March, 31, 2016
5	Approval for preferential issue of equity shares and convertible warrants to the Promoter Group and business Associates

Signed this ..... day of ..... 2015.



.....  
Signature of the proxy holder(s)  
Stamp

Signature of the member

Notes: 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.



Registered office: Dhrangadhra - 363 315, Gujarat  
Tel .No. 22871914,22871916, 22020743 • Fax: 22 2202 8838  
Email : ho @dcw ltd.com • Website:www.dcw ltd.com  
CIN No.L24110GJ1939PLC000748

**ATTENDANCE SLIP**

To be handed over at the entrance of the Meeting Hall  
76th ANNUAL GENERAL MEETING

Folio No. / Client ID / DP ID :

No. of Shares :

Name of the attending member / Proxy (in BLOCK LETTERS)

I hereby record my presence at the SEVENTY SIXTH ANNUAL GENERAL MEETING of the Company being held at 10.00 a.m. on Thursday, 27th August, 2015 at Dhrangadhra - 363 315, Gujarat.

.....  
Member's/Proxy's Signature  
(To be signed at the time of handing over the Slip)

**ELECTRONIC VOTING PARTICULARS**

Electronic Voting Event Number	User ID	Password / PIN

Note: Please read the Complete instructions given under the Note No. 15 (Procedure for e-Voting through electronic means) in the Notice of Annual General Meeting. The e-voting period commences on Monday, 24th August, 2015 at 9.00 a.m. and ends on Wednesday, 26th August, 2015 at 5.00 p.m. The voting module shall be disabled by NSDL for voting thereafter.