



**THE DHARAMSI MORARJI
CHEMICAL COMPANY LTD.**

**95th
Annual Report
2015 - 2016**



Directors

Shri Laxmikumar Narottam Goculdas Chairman
Shri Haridas Tricumdas Kapadia
Shri Madhu Thakorlal Ankleshwaria
Shri Arvind Wasudeo Ketkar
Shri Shantilal Tejshi Shah (upto 10th August, 2016)
Ms Mitika Laxmikumar Goculdas

Key Management Personnel

Shri Bimal Lalitsingh Goculdas Chief Executive Officer
Shri Dilip Trimbak Gokhale Executive Vice President
& Company Secretary
Shri Dharmarajan Kalyan Sundaram Chief Finance Officer

Auditors

K.S. Aiyar & Co.
Chartered Accountants

Legal Advisers

Bhaishanker Kanga & Girdharlal

Bankers

Janakalyan Sahakari Bank Ltd.
The Federal Bank Ltd.

Registered Office

Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road,
Fort, Mumbai – 400 001.

Factories

Roha (Maharashtra)
Jhar (Gujarat)
Khemli (Rajasthan)

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.

C-13 Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W) Mumbai-400 078.
Tel. : 022-25963838 Fax : 25946969
Email : mt.helpdesk@linkintime.co.in

CONTENTS

Notice to Members.....	2
Directors' Report	9
Annexures to the Directors' Report	15
Report on Corporate Governance	28
Auditors' Certificate on Corporate Governance	35
Independent Auditors' Report	36
Annexure to Auditors' Report.....	37
Balance Sheet	40
Statement of Profit and Loss	41
Notes to Balance Sheet	42
Notes to Statement of Profit and Loss	49
Notes to the Accounts	51
Cash Flow Statement	57
Balance Sheet Abstract and Company's General Business Profile	59
The Last Ten Years - The DMCC Ltd.	60

NOTICE

Notice is hereby given that the Ninety Fifth Annual General Meeting of the Members of THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED (CIN : L24110MH1919PLC000564) will be held at the Indian Merchants' Chamber, Conference Hall (Walchand Hirachand Hall), IMC Marg, Churchgate, Mumbai 400 020, on Tuesday, the 27th day of September, 2016 at 11:00 a.m. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended 31st March, 2016 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Laxmikumar Narottam Goculdas (holding DIN 00453947), who retires by rotation and being eligible, offers himself for re-appointment.
3. **Ratification of appointment of Statutory Auditors and fixing their remuneration**

To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the appointment of Messrs. K. S. Aiyar & Company, Chartered Accountants, holding ICAI Firm Registration Number 100186W, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Ninety-Sixth Annual General Meeting of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

4. **Ratification of Remuneration to Cost Auditor**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Rules made thereunder, as amended from time to time, the remuneration payable to CMA Shri S. S. Dongare holding ICWA Registration Number 12521, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2017, amounting to Rs. 66,000 (Rupees Sixty Six Thousand Only) as also the payment of service tax as applicable and re-imbursalment of actual out-of-pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified."

5. **Re-appointment of Shri Bimal Lalitsingh Goculdas as the "Chief Executive Officer" and "Manager" of the Company.**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT subject to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby accords its approval to the re-appointment of Shri Bimal Lalitsingh Goculdas as the "Chief Executive Officer" and "Manager" of the Company within the meaning of the Companies Act, 2013, for a period of three years from 1st April, 2016, on the following remuneration :

- | | |
|---|--|
| A. Salary: | Rs.3,75,000/- per month (from 01.04.2016 to 31.03.2017) |
| | Rs.4,50,000/- per month (from 01.04.2017 to 31.03.2018) |
| | Rs.5,25,000/- per month (from 01.04.2018 to 31.03.2019) |
| B. Annual Performance Linked Incentive: | At the discretion of the Board of Directors within the overall permissible limit in accordance with the provisions of Sections 196,197,198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013. |

Perquisites:

In addition to the above, the "Chief Executive Officer" shall be entitled to the following perquisites, monetary value of which shall not exceed the annual salary.

CATEGORY "A"

- (i) (a) House rent allowance of Rs. 30,000/- per month.
(b) Expenditure on electricity, water, gas and furnishings at the residence to be borne by the Company.
- (ii) Medical benefits for self and family: Reimbursement of medical expenses actually incurred and reimbursement of premium paid on Mediclaim Policy, the total cost of which to the Company shall not exceed one month's salary in a year or three months' salary in a block of three years.
- (iii) A personal accident insurance policy for his own benefit at the cost of the Company, the premium of which shall not exceed Rs.15,000/- per annum.
- (iv) Leave Travel Concession: Actual fares, rail or air, for self and family once a year to and from any place in India.
- (v) Fees of clubs, subject to a maximum of two clubs, provided that no life membership fee or admission fee is paid.

CATEGORY "B"

- (i) Membership of Company's Provident Fund Scheme.
- (ii) Gratuity as per rules of the Company.
- (iii) Benefit of Company's Superannuation Scheme, subject to the condition that the Company's contribution thereto together with the contribution to Provident Fund are not taxable under the Income-tax Act.

Such contributions shall not be included in computation of ceiling on perquisites.



CATEGORY "C"

- (i) A car with driver for use for the business of the Company and for his personal use. For personal use of the car, the Company will bill the Chief Executive Officer and Manager.
- (ii) Telephone at residence: All charges including rental and call charges for the telephone at the residence being paid by the Company in full. For personal long distance calls, the Company will bill the Chief Executive Officer and Manager.

Car with driver for use of Company's business and telephone at residence shall not be considered as a perquisite.

The Chief Executive Officer shall further be entitled to:

Leave with salary, allowances and other benefits as per leave rules of the Company and the leave accumulated but not availed may be encashed as per Rules of the Company.

The monetary value of the perquisites will be evaluated as per the Income-tax Rules and be subject to such ceiling as may be prescribed by the Central Government.

In the event of loss or inadequacy of profits in any year, the remuneration and perquisites will be paid in accordance with the Schedule V to the Companies Act, 2013 as amended from time to time.

The above re-appointment, salary, perquisites and commission will be subject to the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 and subject to the consent of the shareholders of the Company."

"RESOLVED FURTHER THAT during the tenure of Shri Bimal Lalitsingh Goculdas as the "Chief Executive Officer" and "Manager" he shall be a Key Managerial Personnel (KMP) of the Company in terms of Section 203(1)(i) of the Companies Act, 2013."

"RESOLVED FURTHER THAT Shri D.T.Gokhale, Company Secretary, be and is hereby authorised to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this Resolution."

NOTES:

- a. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the business under item nos. 3, 4 and 5 mentioned above is annexed hereto :
- b. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING i.e. by 11.00 a.m. on Tuesday, September 27th, 2016. Proxies submitted on behalf of Companies, Societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by on behalf of the nominating organization.
A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- c. Members / Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
- d. The Register of Members and the Share Transfer Books of the Company shall remain closed from Wednesday, the 21st September, 2016 to Tuesday, 27th September, 2016 (both days inclusive).
- e. All documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office during office hours between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and Public Holidays upto the date of the Annual General Meeting.
- f. Members are requested to notify changes of address, if any, to the Company.
- g. NRI shareholders are requested to immediately inform (a) change in their residential status on return to India for permanent settlement and (b) particulars of NRE Account, if not furnished earlier.
- h. If members have more than one folio with the Company in identical order of names, the fact should be intimated to the Company for consolidation into one folio. If further shares are bought by the members, folio number(s) should be mentioned in the forwarding letters to avoid creation of multiple folios.
- i. To support the "Green Initiative", the Members who have not registered their e-mail addresses are requested to register the same with Registrars/ Depositories.
- j. Voting through electronic means: In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically through the e-voting services provided by the Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Saturday, 24th September, 2016 (9.00 am IST) and ends on Monday 26th September, 2016 (5.00 pm IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20th September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

NINETY FIFTH ANNUAL REPORT 2015-16

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN Field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <The Dharamsi Morarji Chemical Company Limited > on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

- (i) The e-voting period commences on Saturday, 24th September, 2016 (9.00 am IST) and ends on Monday, 26th September, 2016 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in electronic form, as on 20th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast and confirmed by the Member, he/she shall not be allowed to change it subsequently.
- (ii) The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on Tuesday, 20th September, 2016.
- (iii) Mr. Jatin Papat, Proprietor, JSP Associates, Practicing Company Secretary (Membership No. FCS No. 4047 C.P.NO.6880), has been appointed as the Scrutinizer to conduct the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.



- (iv) The Scrutinizer shall, immediately after the conclusion of the e-voting period, unblock the votes in the presence of atleast two witness not in the employment of the Company and submit a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company or person authorised by him in writing who shall countersign the same.

A Member can opt for one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both these modes, then voting done through e-voting shall prevail and the vote cast through Ballot shall be treated as invalid.

- (v) The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.dmcc.com and on the website of CDSL www.cdslindia.com within two days of the passing of the resolutions at the Ninety-Fifth AGM of the Company on 27th September, 2016 and communicated to BSE Limited, where the shares of the Company are listed.

By Order of the Board of Directors,

D. T. Gokhale
Company Secretary

Registered Office:

Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road,
Fort, Mumbai 400 001.
CIN: L24110MH1919PLC000564
Website: www.dmcc.com
e-mail : dgokhale@dmcc.com
Date: 10th August, 2016.

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), and Article 89 (2) of the Articles of Association of the Company the following Explanatory Statement sets out all material facts relating to the business mentioned under item Nos. 3 to 5 of the accompanying Notice dated 10th August, 2016.

Item No. 3

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Messrs. K. S. Aiyar & Company, Chartered Accountants, holding ICAI Firm Registration Number 100186W, were appointed as the statutory auditors of the Company for a period of three years at the Annual General Meeting (AGM) of the Company held on 23rd September, 2015.

As per provisions of Section 139(1) of the Act/terms of appointment, their appointment for the above tenure is subject to ratification by Members at every AGM.

Accordingly, ratification of the Members is being sought for the proposal contained in the Resolution set out at Item No. 3 of the accompanying Notice.

The Board recommends the Resolution at Item No.3 of the accompanying Notice for ratification by the Members of the Company.

None of the Directors or Key Managerial Personnel (KMP) or their respective relatives are concerned or interested (financially or otherwise) in the Resolution at Item No. 3 of the accompanying Notice.

Item No. 4

Pursuant to Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. On the recommendation of the Audit Committee of Directors, the Board of Directors has approved the re-appointment of CMA Shri. S. S. Dongare holding ICWA Registration No. 12521, as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2016-17, at a remuneration of Rs. 66,000/- (Rupees Sixty Six thousands only) plus Service Tax and actual out-of-pocket expenses.

CMA Shri. S. S. Dongare has furnished a certificate regarding his eligibility for appointment as Cost Auditors of the Company. He has vast experience in the field of cost audit and has conducted the audit of the cost records of the Company for the previous year under the provisions of the Act.

The Board recommends the Resolution at Item No. 4 of the accompanying Notice for ratification of the Cost Auditors' remuneration by the Members of the Company.

None of the Directors or Key Managerial Personnel (KMP) or their respective relatives are concerned or interested (financially or otherwise) in the Resolution at Item No. 4 the accompanying Notice.

Item No. 5

Re-Appointment Of Shri Bimal Lalitsingh Goculdas as the "Chief Executive Officer" and "Manager" of the Company.

The Nomination and Remuneration Committee, in its meeting held on 12th February, 2016 recommended and the Board of Directors of the Company at its Board Meeting held on 12th February, 2016 have re-appointed Shri Bimal Lalitsingh Goculdas, subject to the approval of the shareholders by a Special Resolution at the ensuing Annual General Meeting as "Chief Executive Officer" and "Manager" of the Company within the meaning of the Companies Act, 2013, for a period of three years with effect from 1st April, 2016, on the terms and conditions mentioned in the Resolution as Item No. 5.

Disclosure as required under Schedule II and V of the Companies Act, 2013 is given hereunder and Annexure to this Notice.

Shri Bimal Lalitsingh Goculdas is a Chemical Engineer from University Institute of Chemical Technology, Mumbai and has done M.S. in Chemical Engineering from University of Wyoming, U.S.A. Shri Bimal Lalitsingh Goculdas is a leading professional with wide experience in business, commercial, technical, Corporate Finance both in India and Abroad. He along with the other Key Managerial Personnel led the various initiatives in transforming our loss making Company to a profit making Company. Shri Bimal Lalitsingh Goculdas has also been instrumental in optimum utilisation of the cash flow and working capital as well as long term funds management.

The appointment as well as payment of remuneration was approved by the Board based on Industry standards, responsibilities handled by him as the "Chief Executive Officer" and "Manager" of the Company. However, due to inadequacy of profits, the managerial remuneration paid/payable need to be approved for the financial year 2016-17 onwards.

Shri Bimal Lalitsingh Goculdas is also, the "Managing Director" of Borax Morarji Limited for a period of three years with effect from 01.04.2015, valid upto 31.03.2018. As per the terms of contract between Shri Bimal Lalitsingh Goculdas and Borax Morarji Limited, Shri Bimal Lalitsingh Goculdas shall not receive any remuneration from Borax Morarji Limited for the above period of appointment. He shall receive remuneration from the Company only.

Appointment of Shri Bimal Lalitsingh Goculdas was approved by passing resolution with the consent of all the directors present at the meeting held on 12.02.2016 and the specific notice of the said meeting and resolution to be passed was given to all the directors as per the section 203(3) of the Companies Act, 2013.

As the "Chief Executive Officer" and "Manager" of the Company within the meaning of the Companies Act, 2013, he will be in-charge of and responsible for all the business operations of the Company as also perform such other functions and duties as the Board of Directors shall specify, from time to time and he Shall be a Key Managerial Personnel (KMP) of the Company in terms of Section 203(1)(i) of the Companies Act, 2013.

The Remuneration and terms and conditions of appointment of Shri Bimal Lalitsingh Goculdas "Chief Executive Officer" and "Manager" of the Company is as per the provisions of the Companies Act, 2013 and Schedule V thereto as given in the Special Resolution at item no. 5 of the accompanying Notice of the Meeting.

The Board recommends the Resolution at Item No. 5 of the accompanying Notice for approval by the Members of the Company.

Shri Bimal Lalitsingh Goculdas, a Key Managerial Personnel and his relatives shall be deemed to be concerned or interested in the resolution to the extent of remuneration payable to Shri Bimal Lalitsingh Goculdas under the resolution.

None of the Directors of the Company (except Shri Laxmikumar Narottam Goculdas and Ms Mitika Laxmikumar Goculdas who are relatives of Shri Bimal Lalitsingh Goculdas) Key Managerial Personnel (except Shri Bimal Lalitsingh Goculdas, himself a Key Managerial Personnel) or their relatives are in any way, concerned or interested (financially or otherwise) in the aforesaid appointment and payment of remuneration to Shri Bimal Lalitsingh Goculdas.



STATEMENT CONTAINING INFORMATION REQUIRED TO BE GIVEN AS STIPULATED IN CLAUSE A OF SECTION II OF SCHEDULE V OF THE COMPANIES ACT, 2013.

Since the company does not have adequate profits, it is proposed to pay remuneration to Shri Bimal Lalitsingh Goculdas as stipulated in Part II Section II of Schedule V to the Companies Act, 2013.

The effective capital of the Company is Rs.27.65 Crores as on 31.03.2016. The permissible limit of remuneration is upto Rs.42 Lacs Per Annum. However, in view of the responsibilities being undertaken by Mr. Bimal Lalitsingh Goculdas and his excellent performance in the discharge of his duties, it is proposed to pay upto double the above limit i.e. upto Rs.84 Lacs Per Annum as permitted in the proviso to Clause A of Section II of Schedule V of the Companies Act, 2013, referred to above.

In compliance of the requirements of the said Clause, the following confirmation and information is given hereinbelow :

- (i) Payment of remuneration is approved by a Resolution of the Nomination and Remuneration Committee and the Board of Directors.
- (ii) The Company has not made any default in repayment of any debts.
- (iii) A special resolution is proposed to be passed at this Annual General Meeting.

I. General Information:

- (i) Nature of industry – Speciality Chemicals
- (ii) Date or expected date of commencement of commercial production – N.A.
- (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – N.A.
- (iv) Financial performance – (Based on the audited Accounts for the year ended 31st March, 2016) :

	(Rs. In Lacs)
	<u>31.03.2016</u>
Total Revenue	10119.04
Net Profit/(Loss) before Tax	1314.55
Total Expenditure	8804.49
Paid up Capital	3005.78
Reserve and Surplus	1259.00

- (v) Foreign investments or collaborations, if any – There is no foreign investment or collaboration in the Company.

II. Information about the appointee :

- (i) Background details – given in the Explanatory statement Item No.5
- (ii) Past remuneration:-

Name & Designation	Financial Year	Salary	Contribution to PF & Superannuation Fund	Perquisites	Total
Shri Bimal Lalitsingh Goculdas Chief Executive Officer	2014-15	3600000	468000	595557	4663557
	2015-16	3600000	468000	596513	4664513

- (iii) Recognition or awards – Nil
- (iv) Job profile and his suitability – Shri Bimal Lalitsingh Goculdas has been appointed as the “Chief Executive Officer ” and “ Manager ” of the Company within the meaning of the Companies Act, 2013 and he will be in charge of overall management subject to the direction, supervision and control of the Board of Directors of the Company.

Taking into consideration his qualifications and expertise in the relevant fields, he is suited for the responsibilities assigned to him by the Board of Directors.

- (v) Remuneration proposed – since the same have been already explained in detail hereinabove in item no. 5 of the Notice, the same are not repeated.
- (vi) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Shri Bimal Lalitsingh Goculdas has successfully proved his capabilities in effective manner and drove the Company towards the growth over the past few years. The Board of Directors consider that the remuneration proposed to him is justifiably commensurate with other organisations of similar type, size and nature in the industry.

- (vii) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Shri Bimal Lalitsingh Goculdas, does not have any pecuniary transactions with the Company except by way of his contract of employment with the Company. None of the Directors of the Company (except Shri Laxmikumar Narottam Goculdas and Ms Mitika Laxmikumar Goculdas who are relatives of Shri Bimal Lalitsingh Goculdas), Key Managerial Personnel or their relatives have in any relationship with Shri Bimal Lalitsingh Goculdas.

III. Other information :

- (i) Reasons of loss or inadequate profits.

The Company's fertilizer business was under continued stresses and strains due to the huge working capital requirement arising mainly out of the delays in revision of subsidy and delays in receipt of the subsidy amounts from the Central Government and other related procedural issues. This has forced your Company to gradually reduce the volume of fertilizer business and eventually discontinue the Fertiliser business due to various economic considerations.

NINETY FIFTH ANNUAL REPORT 2015-16

(ii) Steps taken or proposed to be taken for improvement

The Chief Executive Officer along with the Key Managerial Personnel and the core Management Team has taken various initiatives like financial restructuring, efficient running of the plants, preventive and regular maintenance and repairs of the plants, improvement in labour efficiency, effective working capital management etc.

(iii) Expected increase in productivity and profits in measurable terms.

The Company expects to maintain growth in turnover and expects increase in domestic and export business, subject to unforeseen circumstances.

IV. Disclosures

The necessary disclosures are mentioned in the Notice and Explanatory Statement as above and in Directors report under the heading "Directors/ Key Management Personnel" and in Corporate Governance Report.

Details of the Director and Manager seeking appointment/re-appointment at the forthcoming Annual General Meeting:

(Pursuant to Clause 49 of the Listing Agreement and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the Director	Shri Laxmikumar Narottam Goculdas	Shri Bimal Lalitsingh Goculdas
Director Identification Number (DIN)	00459347	00367792
Date of Birth	17.09.1943	08-11-1968
Date of Appointment on the Board	06.03.1992	01-04-2009
Qualifications/Expertise in specific functional areas	Industrialist with rich business experience in general	B.Chem. Engg. From U.I.C.T., Mumbai M.S. Chemical Engg., U.S.A. Leading Professional with wide experience in Chemical Industry, Corporate Finance in India and Abroad.
Directorships held in other companies (excluding foreign companies)	Borax Morarji Limited Gocul Gas Pvt. Ltd. Kosan Industries Pvt. Ltd. L.P. Gas Equipment Pvt. Ltd. L.P. Gas Transport & Bottling Co. Pvt. Ltd. Bombay Foods Pvt. Ltd. Phoenix Distributors Pvt. Ltd. Natural Gas Co. Pvt. Ltd. B.S. and Service Pvt. Ltd. Phoenix Distributors Gas Agencies Bhopal Pvt. Ltd. B S and Services Gas Agencies Bhopal Pvt. Ltd. Jasraj Trading Co. Pvt. Ltd. Autogas Conversion (India) Pvt. Ltd. Conservation Corporation of India Pvt. Ltd.	Borax Morarji Limited Gocul Gas Pvt. Ltd. Kosan Industries Pvt. Ltd. L.P. Gas Equipment Pvt. Ltd. L.P. Gas Transport & Bottling Co. Pvt. Ltd. Bombay Foods Pvt. Ltd. Phoenix Distributors Pvt. Ltd. Natural Gas Co. Pvt. Ltd. B.S. and Service Pvt. Ltd. Phoenix Distributors Gas Agencies Bhopal Pvt. Ltd. B S and Services Gas Agencies Bhopal Pvt. Ltd. Jasraj Trading Co. Pvt. Ltd. Autogas Conversion (India) Pvt. Ltd.
Committee position held in other committees	Member of the Audit Committee and Chairman of the Shareholders Grievance Committee of Borax Morarji Limited	None
Shareholding	7821089 Equity Shares	36476 Equity Shares
Relationship between Directors interse	Ms. Mitika Laxmikumar Goculdas, Promoter Group, Non- Executive Director of the Company, is his Daughter	Yes – Related to Shri Laxmikumar Narottam Goculdas and Ms Mitika Laxmikumar Goculdas, Directors

By Order of the Board of Directors,

D. T. Gokhale
Company Secretary

Registered Office:

Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road,
Fort, Mumbai 400 001.
CIN: L24110MH1919PLC000564
Website: www.dmcc.com
e-mail : dgokhale@dmcc.com
Date: 10th August, 2016.



DIRECTORS' REPORT (Including Management Discussion and Analysis Report)

The Directors are pleased to present their Ninety Fifth Annual Report together with the audited financial statements of the Company for the financial year ended 31st March, 2016.

FINANCIAL RESULTS

	Financial Year ended 31 st March, 2016 Rs. in lacs	Financial Year ended 31 st March, 2015 Rs. in lacs
Sales Turnover (Net of Excise Duty)	9980.35	11948.32
Gross Profit / (Loss)	1540.38	1784.73
Less : Depreciation	225.83	243.85
Less : Exceptional Items	-	142.60
Profit / (Loss) before Taxation	1314.55	1398.28
Less : Provision for Taxation (MAT)	117.38	-
Profit (Loss) after Taxation	1197.17	1398.28
Add: Balance brought forward	61.83	(1295.81)
Add : Depreciation in respect of Earlier Year as per the provision contain at 7 (b) of Schedule II to the Companies Act, 2013	Nil	(40.64)
Balance carried forward	1259.00	61.83

The following is the Sales Turnover (Net of Excise Duty) by group of products:

Commodity Chemicals	3932.34	3987.98
Speciality Chemicals	5714.07	7446.07
Others	333.94	514.27
Total	9980.35	11948.32

Dividend

Though Your Company has made profit during the year, in view of the balance of accumulated losses, your Directors have not recommended any Dividend on Cumulative Preference Shares and Equity Shares of the Company, for the financial year ended 31st March, 2016.

MANAGEMENT DISCUSSION & ANALYSIS REPORT INCLUDING PROSPECTS IN THE INDUSTRY

As predicted by all leading global and economic institutions, India is a bright star in the world and Indian economy is expected to grow at 7.5%. As in the past, Indian chemical industry is expected to perform well.

The company has followed a policy of revamping and re-modelling of the manufacturing capacity by judiciously following combination of productivity improvement of existing plants and manufacturing facilities and creation of new multipurpose and flexible manufacturing infrastructure (capable of producing multiple products and capable of carrying out multiple processes) through fresh capital expenditure.

The Company's speciality chemical business is driven by extensive product R & D and process innovations which are significantly different from those in case of commodity chemicals business.

The growth of speciality chemicals is driven by both domestic consumption and exports. The speciality chemicals, finding application across consumers, are driven by overall growth of Indian economy. Speciality chemical exports are growing as India has the potential of becoming an important manufacturing hub for such chemicals.

Large parts of the world are under turmoil and while your company has so far not faced any significant disruptions on the customer side, growth in areas such as EU is likely to be muted. Business has been expanded to other several countries so as to ensure a good geographical spread.

On the process development side, your company continues to focus on the Sulphur and Ethanol chemistry. The expertise gained over the years, especially in the safe handling of hazardous chemicals, is being commercially exploited. Products are being selected based on experience in manufacturing process developed over the years. This includes development of novel process, an improvement in specifications or cost effectiveness owing to backward integration or economies of scale. With specialisation in chemistry, rather than a particular end use, your company is attempting to insulate from the business cycles of any one industry. With specialisation in multiple and multipurpose processes and the new products, your Company is better insulated from the cyclical fluctuations in the Chemical Industry.

The falling crude oil prices has resulted in lower prices of downstream chemicals such as Benzene and Sulphur. Consequently your company was required to reduce the selling prices of finished products when the need arose, which has partly reflected in lower turnover during the financial year ended 31st March 2016 as compared to the previous year. Your Company had planned essential maintenance shut down which has also affected the performance during the 3rd quarter of the year under review.

Overview of operations

Chemicals

The turnover of Commodity Chemicals during the current Financial Year ended 31st March, 2016 was slightly lower at Rs. 39.32 crores as compared to the turnover of Rs. 39.88 crores during the previous Financial Year. The turnover of Speciality Chemicals during the current Financial Year ended 31st March, 2016 was Rs. 57.14 crores as compared to Rs. 74.46 crores in the previous year. The Export turnover of the Company during the current Financial Year ended 31st March, 2016 was Rs. 39.11 crores as compared to Rs. 51.76 crores for the previous Financial Year.

Fertilisers

The Company's fertilizer business viz. Single Superphosphate (SSP) continues to remain suspended / discontinued. Your Company however continues on moderate scale the brand licensing arrangement of the Company's popular "SHIP – BRAND" of SSP Fertiliser.

Cautionary Statement

Statements in this "Management Discussion and Analysis Report" describing the Company's objectives, projections, estimates, expectations or predictions may be considered as "forward looking statements" within the meaning of applicable security laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

ADEQUACY OF INTERNAL CONTROLS

Your Company has well laid down policies, guidelines and procedures which form part of its internal control system. The Audit Committee of the Board periodically reviews reports of Internal Auditors, *inter alia*, on adherence by the operating Management of such policies and procedures and suggests changes/modifications and improvements on a continuous basis. The Company has an independent and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposal and the transactions are authorised, recorded and reported correctly. The internal control systems are supplemented by a programme of internal audit.

HUMAN RESOURCE DEVELOPMENT

As part of ongoing exercise of the restructuring and re-organisation of the Company's business, the Company undertakes periodic comprehensive reviews of its HR policies and amends the same suitably from time to time, to meet the emerging business requirements. Special emphasis is being led continually on recruitment of multi-disciplinary and experience staff to carry forward the growth objectiveness of the Company. Regular training programmes are being held for the benefit of the staff and the workmen.

Your Company believes in a collaborative approach and works closely with the unions, and Industrial relations have been cordial during the year under review.

BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Companies Act, 2013 (the Act) and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Clause 49 of the Listing Agreement.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the "Chief Executive Officer" and "Manager" of the Company under the Companies Act, 2013.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of non-executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performances of the Board, its committees and individual Directors were also discussed.

NOMINATION AND REMUNERATION POLICY

The Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and other employees have evolved and have been formulated in terms of the provisions of the Companies Act, 2013 and the listing agreement with a view to pay equitable and commensurate remuneration to the Directors, Key Managerial Personnel and other Employees of the Company.

The Company passed through adverse financial condition which had an inevitable impact on the existing compensation and pay structure rather than the qualification, experience and the industry standards.

The Chief Executive Officer (CEO) of the Company is being paid in accordance with the provisions of the Companies Act, 2013 and Schedule V of the Companies Act, 2013 which prescribes the ceiling on the maximum permissible remuneration in respect of Companies having inadequate profits.

In view of the inadequacy of profits, the Directors of the Company are not being paid any remuneration/commission etc. except the normal sitting fees.

The Management of the Company will therefore take into consideration the various applicable factors such as qualification, experience, industry standards etc. and evolve an appropriate policy in course of time once the Company starts making adequate profits.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY

During the financial year 2015-16, the Company has not provided any loan to any person or body corporate or given any guarantee or provided security in connection with such loan or made any investment in the securities of anybody corporate pursuant to Section 186 of the Companies Act, 2013. The Company has given advance against salary to some employees in terms of the applicable policies of the Company.

SEXUAL HARASSMENT

During the year under review, there was not a single incident under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013.



MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year five Board Meetings and four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

DIRECTORS/KEY MANAGEMENT PERSONNEL

Shri Laxmikumar Narottam Goculdas (holding DIN 00459347), Director, is retiring by rotation in accordance with the requirements of the Act and under the Article 135 of the Articles of Association of the Company, and being eligible, offer himself for re-appointment.

Shri Shantilal Tejshi Shah an Independent Directors resigned on 10th August, 2016 due to his personal commitments. It is not proposed to fill up the vacancy at present, since the Company is still complied as regards composition of the Board.

The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act. Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

During the year, the non-executive Directors of the Company had no pecuniary relationship or transactions with the Company.

The Company continues its operations under the leadership of the Senior Corporate Management Team comprising of Shri Bimal Lalitsingh Goculdas, Chief Executive Officer, Shri D. T. Gokhale, Executive Vice President and Company Secretary and Shri D. K. Sundaram, Chief Finance Officer, who are the Key Managerial Personnel.

The Nomination and Remuneration Committee, at its meeting held on 12th February, 2016 recommended and the Board of Directors of the Company at its Board Meeting held on 12th February, 2016 have re-appointed Shri Bimal Lalitsingh Goculdas, subject to the approval of the shareholders by way of special resolution (in view of inadequacy of profits) at the ensuing Annual General Meeting as " Chief Executive Officer" and "Manager" of the Company within the meaning of the Companies Act, 2013, for a period of three years with effect from 1st April, 2016.

The proposed Remuneration and terms and conditions of appointment of Shri Bimal Lalitsingh Goculdas "Chief Executive Officer" and "Manager" of the Company are as per the provisions of the Companies Act, 2013 and Schedule V thereto as given in the Special Resolution at item no. 5 of the accompanying Notice of the Meeting and the particulars contained therein are in accordance with the disclosures as required as per Schedule V, Part II, Section II of the Companies Act, 2013:

The Board recommends the Resolution at Item No. 5 of the accompanying Notice for approval by the Members of the Company.

WHISTLE BLOWER POLICY

The Company has a whistle blower policy to report genuine concerns or grievances. The Whistle Blower policy has been posted on the website of the Company (www.dmcc.com).

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year under review were at arm's length basis and were in the ordinary course of business.

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

The Audit Committee and the Board of Directors at their meetings have reviewed and approved all the related party transactions undertaken by the Company during the Financial Year.

The related party transactions entered into by the Company are disclosed in Note no. XIII 7(E) of the Notes to Accounts.

All Related Party Transactions are placed/routed through the Audit Committee and the Board of Directors.

None of the Directors has any pecuniary relationships or transactions with the Company.

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

RISK MANAGEMENT POLICY

The Company has formulated a Risk Management Policy which reflects the overall risk management philosophy, the Company's overall approach to risk management, risk assessment, risk mitigation mechanism and the roll and responsibilities for risk management. Risk management forms an integral part of the business planning and review cycle.

The Company's Risk Management Policy is designed to provide reasonable assurance that objectives are met by integrating management control into the daily operations, by ensuring compliance with legal requirements and by safe guarding the integrity of the Company's financial reporting and its related disclosures.

The identification and analysis of and putting in place the process for mitigation of these risks is an ongoing process. The Company has also laid down procedure to inform the Audit Committee and the Board about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management control risks by means of a properly defined frame work.

The monthly review meetings of all the functional/departmental heads *interalia* discuss the relative risk management issues.

INSIDER TRADING

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulation 2015 and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a code of conduct to Regulate, Monitor and Report Trading by Insiders ('Insider Trading Code') and code of Practices and Procedures for Fair Disclosure of unpublished Price Sensitive Information ('Code of Fair Disclosure').

The Insider Trading Code is intended to prevent misuse of unpublished price sensitive information by insiders and connected persons and ensure that the Directors and specified persons of the Company and their dependents shall not derive any benefit or assist others to derive and benefit from access to and possession of price sensitive information about the Company which is not in the public domain, that is to say, insider information.

The code of Fair Disclosure ensures that the affairs of the Company are managed in a fair, transparent and ethical manner keeping in view the need and interest of all the Stakeholders.

ENVIRONMENT HEALTH AND SAFETY (EHS)

In the Company, it has been our prime endeavour to achieve environment health and safety (EHS). We thrive to achieve the objective by ensuring accident free work place. We have various EHS management processes and methodologies being deployed and implemented under the EHS to ensure that our employees become more safety conscious and strive to improve the organisation's approach towards loss prevention.

The Company has a system of in house EHS training for employees and workmen at the factory as also the practice of sending the employees/workmen to various external EHS programmes.

All these EHS endeavours help the Company in its efforts in preventing loss of life and property damage.

AUDITORS

Messrs. K.S.Aiyar & Co., Chartered Accountants, holding ICAI Firm Registration Number 100186W, who are the Statutory Auditors of your Company, hold office until the conclusion of the 96th Annual General Meeting of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM). It is proposed to ratify the appointment of Messrs. K.S.Aiyar & Co., Chartered Accountants, holding ICAI Firm Registration Number 100186W as Statutory Auditors of the Company from the conclusion of this AGM till the conclusion of the 96th AGM. Messrs. K.S. Aiyar & Co., Chartered Accountants, under Section 139 of the Act, furnished a certificate of its eligibility for re-appointment. The Members are requested, to ratify their appointment as Statutory Auditors and to authorize the Board of Directors to fix their remuneration. In this connection, the attention of the Members is invited to item No.3 of the Notice.

AUDITORS' OBSERVATIONS

In respect of the Auditors' observation (in quotes):

"The Company had recognized net deferred tax asset in earlier years aggregating to Rs.2654.15 lacs till 31st March, 2009, considering unabsorbed loss upto 31st March, 2008 and unabsorbed depreciation up to 31st March, 2009. For the subsequent financial periods, further net deferred tax asset has not been recognized in view of management's perceptions and reason detailed in Note No.V(c). We are not in a position to opine on the realisability of the said net deferred Tax Asset. Consequently, the Accumulated losses as at the end of the year would have been higher by Rs.2654.15 Lacs".

The managements perception and reasons are detailed in Note no.V(c), and the same is reproduced here below:

Deferred Tax Assets (Net)

The break-up of the Deferred Tax Liability / (Deferred Tax asset) as on 31.03.2016 and 31.03.2015, recognized by the Company in the books of account, is as follows:

Particulars	As at 31-03-2016 Rs. In Lacs	As at 31-03-2015 Rs. In Lacs
Deferred Tax Liabilities :		
Difference between book and tax depreciation	1611.05	1611.05
Others	221.90	221.90
Total	1832.95	1832.95
Deferred Tax Assets :		
Unabsorbed depreciation / Business loss	3610.68	3610.68
Others	876.42	876.42
Total	4487.10	4487.10
Net Deferred Tax Liabilities / (Deferred Tax Assets) :	(2654.15)	(2654.15)

The Company's export business over the last three years has been steadily growing at an impressive rate. This has been possible due to appropriate marketing efforts coupled with quality consciousness on the part of the Company. The focused R & D activity to identify and develop relevant products meeting high quality standards has always remained vital to the Company's business and efforts are undertaken to spread this message across the customer base both abroad as well as domestic. The Company is confident of improving the current growth rate substantially in overseas business in addition to consolidating the domestic market both in Speciality and Bulk chemicals. In the near term, the Company expects to achieve this objective by making use of the available unutilized capacity as well as building up additional capacity. The marketing team is also being strengthened. Consequently, there is virtual certainty of realization of "Deferred Tax asset" mainly resulting from unabsorbed depreciation and carried forward losses. Accordingly, the recognized "Deferred Tax Asset" of Rs.2654.15 Lacs as at 31.03.2009, without any addition, is being carried forward.



COST AUDITOR AND COST AUDIT REPORT

The Board of Directors, on the recommendation of Audit Committee has appointed Shri S.S. Dongare, Cost Accountant, as Cost Auditor of your Company to audit the cost accounts of the Company for Financial Year 2016-17 at remuneration of Rs. 66,000/- (Rupees Sixty Six Thousand Only) as also the payment of service tax as applicable and re-imbursalment of actual out-of-pocket expenses incurred in connection with the aforesaid audit. As required under the Companies act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting. In accordance with the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company carries out an audit of cost records (Sulphuric Acid) maintained by the Company every year.

The cost Audit Report and the Compliance Report of your Company for the Financial Year ended 31st March, 2015, by Shri S.S. Dongare, Cost Accountant, which was due for filing with the Ministry of Corporate Affairs by 30th September, 2015, was duly filed on 12th October, 2015, accepted by the Government as filed intime.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "**Annexure I**".

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

A Corporate Social Responsibility Committee of the Directors was constituted earlier consisting of Shri L. N. Goculdas as Chairman, Shri H. T. Kapadia, Shri M. T. Ankleshwaria and Shri A. W. Ketkar as members of the Committee.

During the current year the committee has been reconstituted with Ms. Mitika Laxmikumar Goculdas as Chairman, Shri H. T. Kapadia, Shri M. T. Ankleshwaria and Shri A. W. Ketkar as members of the Committee.

The Committee met once during the year and due to the average net profit of last three years being negative, your Company is not required to spend any amount towards Corporate Social Responsibility activities during the year under review, is annexed herewith as "**Annexure II**".

However, as a gesture towards the Corporate Social Responsibility, the Company has donated an amount of Rs. 5,00,000/- (Rupees Five Lacs Only) to the Corbett Foundation for Assam Flood Relief.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed Shri A. D. Gupte, FCS No.300, and C.P.No. 1210 to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as "**Annexure III**" and forms integral part of this Report.

There is no qualification in the report of Secretarial Auditor, for the year under review.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under section 197 and rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have not been furnished as there are no employees falling within the purview of the provisions of said section and the said rule during the period under review.

Information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in "**Annexure IV**" to this Report.

PUBLIC DEPOSITS

During the year 2015-16, your Company has not accepted/renewed any fixed deposit. The unclaimed deposits as on 31.03.2015 were Rs. 60,000/-. The Company had paid Rs. 20,000/- to depositors and paid/transferred Rs. 40,000/- to Investor Education and Protection Fund as required. Therefore no deposit has remained unclaimed as on 31 March, 2016.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (c) of the Companies Act, 2013:

- (i) that in the preparation of the Annual Accounts for the year ended March 31, 2016, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- (ii) 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 as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual accounts have been prepared on a going concern basis;
- (v) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

NINETY FIFTH ANNUAL REPORT 2015-16

CORPORATE GOVERNANCE

Your Company has been practicing the principles of good Corporate Governance over the years and the Board of Directors lay strong emphasis on transparency, accountability and integrity. Your Company has adopted a Code of Conduct which is approved by the Board of Directors as required under the Listing Agreement with the Stock Exchange, Mumbai. The Directors and the Management Staff have confirmed their adherence to the provisions of the said code. A separate report on Corporate Governance is annexed as a part of the Annual Report, along with the Auditors' Certificate on its compliance.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this Report as **Annexure-V** and forms an integral part of this Report.

ACKNOWLEDGEMENTS

The Directors are thankful to your Company's shareholders, customers, suppliers, and contractors, various departments of Central and State Governments and Banks for their continued valuable support. The relations between the employees and the management continue to be cordial. Your Directors place on record their appreciation of the sincere and devoted efforts of the employees at all levels and their continued co-operation, commitment, sense of understanding and the sacrifices made by them during the difficult and critical period which the Company is passing through. Management of your Company is confident that with the active co-operation from all the stake holder of the Company will be in a position to overcome this difficult phase.

For and on behalf of the Board

LAXMIKUMAR NAROTTAM GOCULDAS
Chairman

Registered Office

Prospect Chambers,
317/321, Dr. Dadabhoy Naorji Road,
Fort, Mumbai 400 001.

Date : 10th August, 2016



ANNEXURE I TO THE DIRECTORS' REPORT

DISCLOSURES

A. CONSERVATION OF ENERGY

FORM A

POWER AND FUEL CONSUMPTION

		April, 2015 to March, 2016	April, 2014 to March, 2015
1	Electricity Purchased		
	Unit (Lac KWH)	48.41	57.53
	Total Amount (Rs. Lacs)	394.79	437.32
	Rate/Unit (Rs./KWH)	8.15	7.60
2	Furnace Oil		
	Quantity (K. Litre)	155.49	29.432
	Total Amount (Rs. Lacs)	39.78	12.83
	Average Rate (Rs/KL)	25585	43592
	CONSUMPTION PER TONNE OF MAJOR PRODUCTS		
	Electricity (Unit-KWH)		
1	Single Superphosphate	-	-
2	Sulphuric Acid 100%	51	51

FORM B

B. TECHNOLOGY ABSORPTION

RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R&D is carried out by the Company :

The Company has an R&D Centre which is approved by the Department of Scientific & Industrial Research, Govt. of India, New Delhi. Areas in which R&D activity was carried out includes:

- Process and cost optimisation of existing Speciality Chemicals so as to be competitive in the domestic and international market.
- Development of the processes for making value added products to cater to the need of local and export market.
- Technical support to Marketing efforts for launching new products and for trouble shooting of existing products.

2. Benefits derived as a result of the above R&D:

- Quality and yield improvement of the existing products.
- Manufacture and supply of some of the products as per the customers' specifications.

3. Future plan of action:

- Studies on the preparation of new Speciality Chemicals and formulations with special emphasis on value addition.
- Focus on ethylation & sulphonation Chemistry to develop new products.

4. Expenditure on R&D:

	April, 2015 to March, 2016	April, 2014 to March, 2015
(i) Capital	65.45	72.30
(ii) Recurring	37.94	29.08
(iii) Total	103.39	101.38
(iv) Total R&D expenditure as a percentage of gross turnover	1.04%	0.85%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. **Efforts, in brief, made towards technology absorption, adaptation and innovation:**

Technology upgradation and innovation are matters of a continuous process in the Company.

2. **Benefits:**

Increased capacity, cost reduction, improvement in quality and flexibility to meet market demands.

3. **Technology imported during the last five years.**

No technology was imported during the last five years.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars of foreign exchange earned/utilised are as under:

Rs. in lacs

	April, 2015 to March, 2016	April, 2014 to March, 2015
EARNINGS IN FOREIGN EXCHANGE :		
Export of goods calculated on FOB basis	3826.39	4933.65
Total Foreign Exchange earned	3826.39	4933.65
OUTGO IN FOREIGN EXCHANGE:		
(1) VALUE OF IMPORTS CALCULATED ON CIF BASIS :		
Raw Materials and bought outs		
(2) EXPENDITURE IN FOREIGN CURRENCY	111.19	78.53
ON ACCOUNT OF FOREIGN TOURS, SUBSCRIPTION, ETC.		
Total Foreign Exchange outgo	111.19	78.53

For and on behalf of the Board

LAXMIKUMAR NAROTTAM GOCULDAS
Chairman

Registered Office:

Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Rd,
Fort, Mumbai - 400 001.

Date: 10th August, 2016.

ANNEXURE II TO THE DIRECTORS' REPORT

The composition and the functions of the Company's Corporate Social Responsibility (CSR) Committee as contemplated as per Section 135 of the Companies Act, 2013 is as under:

The Company has formed earlier CSR Committee comprising of the following Directors:

Shri Laxmikumar Narottam Goculdas, Chairman

Shri Haridas Tricumdas Kapadia, Member

Shri Madhu Thakorlal Ankleshwaria, Member

Shri Arvind Wasudeo Ketkar, Member

During the current year the Company reconstituted the CSR Committee comprising of the following Directors:

Ms Mitika Laxmikumar Goculdas, Chairman

Shri Haridas Tricumdas Kapadia, Member

Shri Madhu Thakorlal Ankleshwaria, Member

Shri Arvind Wasudeo Ketkar, Member

The Committee recognizes that its operations impact a wide community of stakeholders, including investors, employees, customers, business associates and local communities and that appropriate attention to the fulfillment of its corporate responsibilities can enhance overall performance. In structuring its approach to the various aspects of Corporate Social Responsibility, the Company takes into account guidelines and statements issued by stakeholder representatives and other regulatory bodies.

The functions of the said CSR Committee are as under:

- 1) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
- 2) Recommend the amount of expenditure to be incurred on the activities referred to in point no (1) above; and
- 3) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Board of the Company shall approve the CSR and disclose the contents of such policy in its report and place the CSR Policy in the Company's website, if any. The Board shall also ensure that the activities included in CSR policy are undertaken by the Company.

The Board shall ensure that Company spends, in every financial year on CSR, 2% of the average net profits of the Company during the three immediately preceding financial years.

Due to the average net profit of last three years being negative, your Company is not required to spend any amount towards Corporate Social Responsibility activities during the year under review.

However, as a gesture towards the Corporate Social Responsibility, the Company has donated an amount of Rs. 5,00,000/- (Rupees Five Lacs Only) to the Corbett Foundation for Assam Flood Relief.



ANNEXURE III TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To,
The Members,
The Dharamsi Morarji Chemical Co. Ltd.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Dharamsi Morarji Chemical Co. Ltd. (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of The Dharamsi Morarji Chemical Co. Ltd.'s books, papers, minute books, forms and returns filed and other records maintained by the company by means of test checks and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to me and the representations made by the Management on various matters including systems and mechanism formed by the Company for compliance under all applicable Acts and Regulations to the Company on which I have relied, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have relied on the representations made by the Company and its officers on various matters including systems and mechanism formed by the Company for compliance under all applicable Acts and Regulations to the Company.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by The Dharamsi Morarji Chemical Company Ltd. ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of the following to the extent applicable to the Company :

- (i) The Companies Act, 1956 and the Companies Act, 2013 ('the Act') and the rules made thereunder, as applicable;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – (applicable to the Company with effect from 01.12.2015).
- (vi) The following laws specifically applicable to the Company as intimated to me :
 1. The Electricity Act, 2003
 2. Essential Commodities Act, 1955
 3. Factories Act, 1948
 4. Gratuity Act, 1972
 5. Provision for Bonus Act, 1965
 6. Employees Provident Fund Act, 1952 and Rules
 7. Professional Tax Act, 1975 and Rules
 8. The Environment (Protection) Act, 1986
 9. The Air (Prevention and Control of Pollution) Act, 1981

NINETY FIFTH ANNUAL REPORT 2015-16

The Independent Auditor's Report dated 27th May, 2016, states as under: "The Company had recognized net deferred tax asset in earlier years aggregating to Rs. 2654.15 lacs till 31st March, 2009 considering unabsorbed loss up to 31st March, 2008 and unabsorbed depreciation up to 31st March, 2009. For the subsequent financial periods, further net deferred tax asset has not been recognized in view of management's perceptions and reasons detailed in Note No. V(c). We are not in a position to opine on the realisability of the said net deferred tax asset. Consequently, the Accumulated losses as at the year-end would have been higher by Rs.2654.15 Lacs."

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited;

During the period under review the Company has generally complied with the provisions of the 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 period under review were carried out in compliance with the provisions of the Act.

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

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

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 also report that as intimated to me during the audit period, no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, regulations, guidelines etc.

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

Place : Mumbai
Date : 29.07.2016

A.D. GUPTA
FCS No. : 300
C.P. No. : 1210

Annexure A

To,
The Members,
The Dharamsi Morarji Chemical Co. Ltd.,
Prospect Chambers,
317/321 Dr. D.N. Road,
Fort, Mumbai 400 001

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

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

Place : Mumbai
Date : 29.07.2016

A.D. GUPTA
FCS No. : 300
C.P. No. : 1210



ANNEXURE IV TO THE DIRECTORS' REPORT

REMUNERATION DETAILS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNEARTION OF MANAGERIAL PERSONNEL) RULES, 2014.

1. Remuneration paid to the Director's:

- a) The Board of Directors of the Company consists of Two Promoter (Non Executive) Directors and three Independent (Non- Executive) Directors.

All the Directors do not receive any remuneration from the Company other than the sitting fees for their attendance in the meeting.

Remuneration to Directors

Details of remuneration (SITTING FEES FOR MEETINGS) paid to non-executive directors during the financial year ended 31st March, 2016 are as below:

Sr No	Name of Directors	Board Meeting	Audit Committee Meeting	Nomination and Remuneration Committee Meeting	Independent Directors Committee Meeting	Corporate Social responsibility Committee Meeting	Total
1	Shri Laxmikumar Narottam Goculdas	50000	40000	Nil	Nil	10000	100000
2	Shri H. T. Kapadia	50000	40000	10000	10000	10000	120000
3	Shri M. T. Ankleshwaria	50000	40000	10000	10000	10000	120000
4	Shri A. W. Ketkar	50000	Nil	10000	10000	10000	80000
5	Shri S. T. Shah @	40000	Nil	Nil	Nil	Nil	40000
6	Ms Mitika L. Goculdas	50000	Nil	Nil	Nil	Nil	50000
	Total	290000	120000	30000	30000	40000	510000

@ Since Resigned w.e.f. 10.08.2016

The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2015-16.

Not Applicable as the directors are not paid remuneration from the Company other than the sitting fees.

2. Percentage increase in remuneration of Chief Executive Officer, Company Secretary and Chief Finance Officer of the Company during the financial year ended 31st March, 2016 are as below:

The percentage increase in the remuneration of the Chief Executive Officer, Company Secretary and Chief Finance Officer of the Company during the financial year ended 31st March, 2016 ranges up to 13.35%.

3. Percentage increase in the median remuneration of employees of the Company during the financial year ended 31st March, 2016 is 3.72%

4. The number of permanent employees on the rolls of the Company as on 31st March, 2016 are 189

5. The explanation on the relationship between average increase in remuneration and Company performance :

The percentage increase in salary is in line with the market situation, business performance, financial position of the Company.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Company's ideology, business performance, financial position, merit increases and annual bonus payouts of its employees including Key Managerial Personnel are directly linked to individual performance as well as the Company.

7. Variations in the market capitalisation of the Company, price earnings ratio as at the Closing date of the year ended 31st March, 2016 and previous financial year and percentage increase or 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 in case of Listed Companies:

	As on 31.03.2016 (Rs. In Lacs)	As on 31.03.2015 (Rs. In Lacs)
Market Capitalisation	12127.58	3348.10

Price Earnings ratio of the Company was 10.72 as at 31st March, 2016 and was 2.51 as at 31st March, 2015. The company has not come out with public offer of equity shares . Hence the details of the same are not applicable.

8. 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 percentage increase made in the salaries of employees other than the Managerial Personnel in the period was 7.93% where as the average increase in the managerial remuneration was 5.48% .

9. The Key parameters for any variable component of remuneration availed by the Directors:

Not applicable as there are no Executive Directors during the financial year ended 31st March, 2016.

10. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but received remuneration in excess of the highest paid director of the Company during the financial year ended 31st March, 2016. Not Applicable

11. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

ANNEXURE V TO DIRECTORS' REPORT

FORM NO. MGT-9

Extract of annual return as on the financial year ended on 31.03.2016

[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 : L24110MH1919PLC000564
- (ii) Registration date : 25/09/1919
- (iii) Name of the company : The Dharamsi Morarji Chemical Co. Ltd.
- (iv) Category/sub-category of the company : Company Limited by Shares / Indian Non-Government Company
- (v) Address of the registered office and contact details : Prospect Chambers, 317/321, Dr. D.N. Road,
Fort, Mumbai 400001 Maharashtra
Tel. 022 22048881-2-3
Fax : 022 22813657
www.dmcc.com
dgokhale@dmcc.com
- (vi) Whether listed company : Yes – on BSE Limited
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound, LBS Marg,
Bhandup (W), Mumbai 400 078 Maharashtra
Tel. 022-2596 3838, 022-2594 6970
Fax: 022-2594 6969
e-mail:rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are :

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Speciality Chemicals	202	57.25
2.	Commodity Chemicals	201	39.40

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/ associate	% of shares held	Applicable Section
1.	Nil	Nil	Nil	Nil	Nil
2.	Nil	Nil	Nil	Nil	Nil

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

(i) Category-wise share holding

Category of shareholders	No. of shares held at the Beginning of the year				No of Shares held at the End of the year				% Change During The year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	365531	73350	438881	2.06	78911	73350	152261	0.72	0.00
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	2096801	3600	2100401	9.88	2096801	3000	2099801	9.88	0.00
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any Other									
Sub-total(A)(1)	2462332	76950	2539282	11.94	2175712	76350	2252062	10.59	0.00
(2) Foreign									
(a) NRIs - Individuals	7539996	299381	7839377	36.88	8107109	600	8107709	38.14	(0.09)
(b) Other - Individuals									
(c) Bodies Corp.									
(d) Banks/FI									



Category of shareholders	No. of shares held at the Beginning of the year				No of Shares held at the End of the year				% Change During The year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
(e) Any Other									
Sub-total(A)(2)	7539996	299381	7839377	36.88	8107109	600	8107709	38.14	(0.09)
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	10002328	376331	10378659	48.82	10282821	76950	10359771	48.73	(0.09)
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds/UTI	-	4304	4304	0.02	307133	4304	311437	1.47	1.45
(b) Banks/FI	395377	303546	698923	3.29	132910	303546	436456	2.05	(1.24)
(c) Central Govt.									
(d) State Govt(s)									
(e) Venture Capital Funds	-	200	200	0.00	-	200	200	0.00	0.00
(f) Insurance Companies									
(g) FIs									
(h) Foreign Venture Capital Funds									
(i) Others (specify)									
Sub-total(B)(1)	395377	308050	703427	3.31	440043	308050	748093	3.52	0.21
2. Non-Institutions									
(a) Bodies Corp.	1050657	22172	1072829	5.05	950772	22172	972944	4.58	(0.47)
i. Indian									
ii. Overseas									
(b) Individuals									
i. Individual shareholders holding nominal share capital upto Rs.1 Lakh	3832868	822614	4655482	21.90	3510052	785497	4295549	20.21	(1.69)
ii. Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	3817527	99509	3917036	18.43	3374709	99509	3474218	16.34	(2.09)
(c) Others (HUF specify)				0.00	686536	-	686536	3.23	3.23
i. Clearing Members	82051	-	82051	0.39	131501	-	131501	0.62	0.23
ii. Non Resident Indians (NRI)	200770	81764	282534	1.33	208170	24914	233084	1.10	(0.23)
iii. Non Resident Indians (NRN)	35110	24914	60024	0.28	170249	80097	250346	1.18	0.90
iv. Trusts	105696	-	105696	0.50	105696	-	105696	0.50	0.00
v. Others Foreign Nationals	83	-	83	0.00	83	-	83	0.00	0.00
Sub-total (B)(2)	9124762	1050973	10175735	47.87	9137768	1012189	10149957	47.75	(0.12)
Total Public Shareholding (B) = (B)(1) + (B)(2)	9520139	1359023	10879162	51.18	9577811	1320239	10898050	51.27	0.09
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	0.00	Nil	Nil	Nil	0.00	0.00
Grand Total (A+B+C)	19522467	1735354	21257821	100%	19860632	1397189	21257821	100%	0.00

NINETY FIFTH ANNUAL REPORT 2015-16

(ii) Shareholding of promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year shares
		No. of shares	% of total shares of the company	% of shares pledged/ encumbered total	No. of shares	% of total shares of the company	% of shares pledged/ encumbered total shares	
1.	Bimal Lalitsingh Goculdas	3673	0.02	Nil	3673	0.02	Nil	0.00
2.	Sonali B. Goculdas	33808	0.16	Nil	33808	0.16	Nil	0.00
3.	Harisingh Narottamdas Goculdas	2828	0.01	Nil	2828	0.01	Nil	0.00
4.	Kosan Industries Pvt. Ltd.	3000	0.01	Nil	3000	0.01	Nil	0.00
5.	Lalit N. Goculdas	2121	0.01	Nil	2121	0.01	Nil	0.00
6.	Mulraj Dwarkadas Goculdas	17149	0.08	Nil	17149	0.08	Nil	0.00
7.	Mulraj Dwarkadas Goculdas	16664	0.08	Nil	16664	0.08	Nil	0.00
8.	Radha Lalit Goculdas	3678	0.02	Nil	3678	0.02	Nil	0.00
9.	Ranchoddas Mathradas Goculdas	17412	0.08	Nil	17412	0.08	Nil	0.00
10.	Ranchoddas Mathradas Goculdas	22125	0.10	Nil	22125	0.10	Nil	0.00
11.	Bharati Laxmikumar Goculdas	20889	0.10	Nil	20889	0.10	Nil	0.00
12.	The Natural Gas Co.Pvt. Ltd.	785657	3.70	Nil	785657	3.70	Nil	0.00
13.	Phoenix Distributors Pvt. Ltd.	730295	3.44	Nil	730295	3.44	Nil	0.30
14.	Bharati Laxmikumar Goculdas	265731	1.25	Nil	265731	1.25	Nil	0.00
15.	Jasraj Trading Company	124849	0.59	Nil	124849	0.59	Nil	0.00
16.	L.P. Gas Equipment Private Ltd.	456000	2.15	Nil	456000	2.15	Nil	0.00
17.	Bimal Lalitsingh Goculdas	32803	0.15	Nil	32803	0.15	Nil	0.00
18.	Bombay Foods Pvt. Ltd.	600	0.00	Nil	7821089	36.79	Nil	0.09
19.	Laxmikumar Narottam Goculdas	3070842	14.45	Nil				
20.	Laxmikumar Narottam Goculdas	85671	0.40	Nil				
21.	Laxmikumar Narottam Goculdas	98110	0.45	Nil				
22.	Laxmikumar Narottam Goculdas	4500	0.02	Nil				
23.	Laxmikumar Narottam Goculdas	57500	0.27	Nil				
24.	Laxmikumar Narottam Goculdas	20700	0.10	Nil				
25.	Laxmikumar Narottam Goculdas	17400	0.08	Nil				
26.	Laxmikumar Narottam Goculdas	15500	0.07	Nil				
27.	Laxmikumar Narottam Goculdas	4285300	20.16	Nil				
28.	Laxmikumar Narottam Goculdas	80743	0.38	Nil				
29.	Laxmikumar Narottam Goculdas	103111	0.49	Nil				
	Total	10378659	48.82	Nil	10359771	48.73	Nil	(0.09)

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year as on 01/04/2015	10378659	48.82	10378659	48.82
	Dearease-23.10.2015 transferred to the beneficiaries of the Trust by Shri Laxmikumar Narottam Goculdas			-18888	-0.09
	At the End of the year – As on 31-03.2016			10359771	48.73



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

Sr. No.	For Each of the Top 10 Shareholders (*)	Date	Increase or Decrease / Reasons	Shareholding at the beginning of the year 01/04/2015		Shareholding at the end of the year 31/03/2016		
				No. of shares	% of total shares of the company	No. of shares	No. of shares held	% of total shares of the company
1	Urvashi D. Morarji			536026	2.52	536026	536026	2.52
2	SBI Pipe Fund - 1			0	0.00			
		22/01/2016	Increase/Transfer			47500	47500	
		29/01/2016	Increase/Transfer			45265	92765	
		05/02/2016	Increase/Transfer			53060	145825	
		12/02/2016	Increase/Transfer			25954	171779	
		19/02/2016	Increase/Transfer			60853	232632	
		26/02/2016	Increase/Transfer			8000	240632	
		04/03/2016	Increase/Transfer			11413	252045	
		11/03/2016	Increase/Transfer			12406	264451	
		18/03/2016	Increase/Transfer			23042	287493	
		30/03/2016	Increase/Transfer			19640	307133	1.44
3	Ravi Pareek			0	0.00			
		31/12/2015	Increase/Transfer			13294	13294	
		01/01/2016	Increase/Transfer			5249	18543	
		08/01/2016	Increase/Transfer			73178	91721	
		15/01/2016	Increase/Transfer			249	91970	
		22/01/2016	Increase/Transfer			40753	132723	
		05/02/2016	Increase/Transfer			14285	147008	
		12/02/2016	Increase/Transfer			30732	177740	
		19/02/2016	Increase/Transfer			35103	212843	1.00
4	Bharat Jamnadas Dattani			183556	0.86			
		12/06/2015	Increase/Transfer			17500	201056	
		19/06/2015	Increase/Transfer			21300	222356	
		26/06/2015	Increase/Transfer			4000	226356	
		16/10/2015	Decrease/Transfer			-15000	211356	0.99
5	Industrial Development Bank of India Ltd.			173451	0.82	173451	173451	0.82
6	Raju Bhandari			107328	0.54			
		10/04/2015	Decrease/Transfer			-210	107118	
		15/05/2015	Decrease/Transfer			-450	106668	
		22/05/2015	Decrease/Transfer			-100	106568	
		05/06/2015	Increase/Transfer			700	107268	
		12/06/2015	Increase/Transfer			3654	110922	
		19/06/2015	Increase/Transfer			5420	116342	
		26/06/2015	Increase/Transfer			3569	119911	
		30/06/2015	Increase/Transfer			9699	129610	
		03/07/2015	Increase/Transfer			2244	131854	
		10/07/2015	Increase/Transfer			500	132354	
		17/07/2015	Decrease/Transfer			-650	131704	
		24/07/2015	Decrease/Transfer			-450	131254	
		31/07/2015	Increase/Transfer			3430	134684	
		07/08/2015	Increase/Transfer			420	135104	
		14/08/2015	Increase/Transfer			1150	136254	
		21/08/2015	Increase/Transfer			3050	139304	
		28/08/2015	Increase/Transfer			1365	140669	

NINETY FIFTH ANNUAL REPORT 2015-16

Sr. No.	For Each of the Top 10 Shareholders (*)	Date	Increase or Decrease / Reasons	Shareholding at the beginning of the year 01/04/2015		Shareholding at the end of the year 31/03/2016		
				No. of shares	% of total shares of the company	No. of shares	No. of shares held	% of total shares of the company
		04/09/2015	Increase/Transfer			570	141239	
		11/09/2015	Increase/Transfer			332	141571	
		18/09/2015	Increase/Transfer			1121	142692	
		25/09/2015	Decrease/Transfer			-50	142642	
		30/09/2015	Decrease/Transfer			-410	142232	
		09/10/2015	Decrease/Transfer			-650	141582	
		16/10/2015	Decrease/Transfer			-1050	140532	
		23/10/2015	Decrease/Transfer			-985	139547	
		30/10/2015	Decrease/Transfer			-725	138822	
		06/11/2015	Decrease/Transfer			-80	138742	
		13/11/2015	Increase/Transfer			16175	154917	
		20/11/2015	Decrease/Transfer			-500	154417	
		27/11/2015	Decrease/Transfer			-100	154317	
		04/12/2015	Decrease/Transfer			-50	154267	
		11/12/2015	Decrease/Transfer			-1080	153187	
		18/12/2015	Decrease/Transfer			-400	152787	
		25/12/2015	Decrease/Transfer			-1424	151363	
		31/12/2015	Decrease/Transfer			-100	151263	
		08/01/2016	Decrease/Transfer			-1700	149563	
		15/01/2016	Decrease/Transfer			-6415	143148	
		22/01/2016	Increase/Transfer			1226	144374	
		29/01/2016	Decrease/Transfer			-9	244365	
		05/02/2016	Decrease/Transfer			-500	143865	
		12/02/2016	Decrease/Transfer			-50	143815	
		26/02/2016	Increase/Transfer			950	144765	
		04/03/2016	Decrease/Transfer			-150	144615	
		11/03/2016	Decrease/Transfer			-750	143865	
		18/03/2016	Decrease/Transfer			-350	143515	
		25/03/2016	Decrease/Transfer			-50	143465	0.67
7	State Bank of India			132155	0.62	132155	132155	0.62
8	Bharat Jamnadas			5784	0.02			
		12/06/2015	Increase/Transfer			30000	35784	
		19/06/2015	Increase/Transfer			19000	54784	
		26/06/2015	Increase/Transfer			79300	134084	
		03/07/2015	Increase/Transfer			68	134152	
		16/10/2015	Decrease/Transfer			-7500	126652	0.60
9	Tanvi T. Mehta			115000	0.54			
		10/07/2015	Increase/Transfer			5000	120000	0.56
10	Amit Panchamia			170052	0.80			
		10/04/2015	Decrease/Transfer			-9340	160712	
		17/04/2015	Decrease/Transfer			-1000	159712	
		29/05/2015	Increase/Transfer			5000	164712	
		26/06/2015	Decrease/Transfer			-14731	149981	
		10/07/2015	Decrease/Transfer			-5400	144581	
		25/09/2015	Increase/Transfer			124581	269162	
		30/09/2015	Decrease/Transfer			-134581	134581	
		09/10/2015	Decrease/Transfer			-10000	124581	
		23/10/2015	Decrease/Transfer			-1860	122721	



Sr. No.	For Each of the Top 10 Shareholders (*)	Date	Increase or Decrease / Reasons	Shareholding at the beginning of the year 01/04/2015		Shareholding at the end of the year 31/03/2016		
				No. of shares	% of total shares of the company	No. of shares	No. of shares held	% of total shares of the company
		06/11/2015	Decrease/Transfer			-5805	116916	
		13/11/2015	Decrease/Transfer			-18470	98446	
		20/11/2015	Decrease/Transfer			-1530	96916	
		27/11/2015	Decrease/Transfer			-400	96516	
		04/12/2015	Decrease/Transfer			-2000	94516	
		19/02/2016	Increase/Transfer			10050	104566	0.49
11	Manoj Bagadia			238661	1.1227			
		19/06/2015	Decrease/Transfer			-8661	230000	
		10/07/2015	Decrease/Transfer			-15000	215000	
		17/07/2015	Decrease/Transfer			-20000	195000	
		24/07/2015	Decrease/Transfer			-35000	160000	
		14/08/2015	Decrease/Transfer			-5000	155000	
		21/08/2015	Decrease/Transfer			-5000	150000	
		25/09/2015	Decrease/Transfer			-5000	145000	
		30/09/2015	Decrease/Transfer			-10000	135000	
		09/10/2015	Decrease/Transfer			-5000	130000	
		16/10/2015	Decrease/Transfer			-15000	115000	
		20/11/2015	Decrease/Transfer			-12000	103000	
		31/12/2015	Decrease/Transfer			-3000	100000	
		08/01/2016	Decrease/Transfer			-2000	98000	
		15/01/2016	Decrease/Transfer			-500	97500	
		26/02/2016	Increase/Transfer			1600	99100	
		04/03/2016	Increase/Transfer			1572	100672	0.47
12	Prabha Pratapsingh Goculdas			257231	1.2101			
		03/07/2015	Decrease/Transfer			-7231	250000	
		10/07/2015	Decrease/Transfer			-35000	215000	
		17/07/2015	Decrease/Transfer			-60000	155000	
		24/07/2015	Decrease/Transfer			-15000	140000	
		07/08/2015	Decrease/Transfer			-20000	120000	
		21/07/2015	Decrease/Transfer			-30000	90000	
		11/09/2015	Decrease/Transfer			-10000	80000	
		18/09/2015	Decrease/Transfer			-10000	70000	
		25/09/2015	Decrease/Transfer			-20000	50000	
		30/09/2015	Decrease/Transfer			-3331	46669	
		09/10/2015	Decrease/Transfer			-21669	25000	
		16/10/2015	Decrease/Transfer			-10000	15000	0.07
13	ICICI Bank Ltd.			262467	1.2347	0	0	0.00
		12/06/2015	Decrease/Transfer			-116468	145999	
		11/03/2016	Decrease/Transfer			-145435	564	
		18/03/2016	Decrease/Transfer			-564	0	
14	Bharat Equity Service Ltd.			255000	1.1996	0	0	0.00
		10/04/2015	Increase/Transfer			500	255500	
		05/06/2015	Decrease/Transfer			-55500	200000	
		12/06/2015	Decrease/Transfer			-25000	175000	
		19/06/2015	Decrease/Transfer			-55000	120000	
		26/06/2015	Decrease/Transfer			-5000	115000	

NINETY FIFTH ANNUAL REPORT 2015-16

Sr. No.	For Each of the Top 10 Shareholders (*)	Date	Increase or Decrease / Reasons	Shareholding at the beginning of the year 01/04/2015		Shareholding at the end of the year 31/03/2016		
				No. of shares	% of total shares of the company	No. of shares	No. of shares held	% of total shares of the company
		30/06/2015	Decrease/Transfer			-10000	105000	
		03/07/2015	Decrease/Transfer			-5000	100000	
		10/07/2015	Decrease/Transfer			-30000	70000	
		17/07/2015	Decrease/Transfer			-70000	0	0.00
15	Parul Panchamia			140370	0.6603	0	0	0.00
		29/05/2015	Increase/Transfer			14862	155232	
		10/07/2015	Decrease/Transfer			-22000	133232	
		17/07/2015	Decrease/Transfer			-133232	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.

Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

(v) Shareholding of Directors and Key Managerial Personnel :

Sr. No.	Name of Director / KMP	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Laxmikumar Narottam Goculdas Transferred during the year	1/4/2015		7839377 (18288)	36.88 (0.09)	7839377 (18288)	36.88 (0.09)
		31/3/2016		7821089	36.79	7821089	36.79
2	Shri Haridas Tricumdas Kapadia Sold during the year	1/4/2015		11448 (5100)	0.05 (0.02)	11448 (5100)	0.05 (0.02)
		31/3/2016	1/10 to 31/12/15	6348	0.03	6348	0.03
3	Shri Arvind Wasudeo Ketkar	1/4/2015		324	0.01	324	0.01
		31/3/2016		324	0.01	324	0.01
4	Shri Bimal Lalitsingh Goculdas	1/4/2015		36476	0.17	36476	0.17
		31/3/2016		36476	0.17	36476	0.17
5	Shri Dilip Trimbak Gokhale	1/4/2015		150	0.00	150	0.00
		31/3/2016		150	0.00	150	0.00
6	Shri D K Sundaram	1/4/2015		Nil	0.00	Nil	0.00
		31/3/2016		Nil	0.00	Nil	0.00

V. INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
<i>I.</i> Principal Amount	639.32	1789.24	224.40	2652.96
<i>II.</i> Interest due but not paid	-	-	-	-
<i>III.</i> Interest accrued but not due	-	-	-	-
Total (I + II + III)	639.32	1789.24	224.40	2652.96
Change in Indebtedness during the financial year				
• Addition	329.10	-	-	329.10
• Reduction	287.72	756.62	90.40	1134.74
Net Change	41.38	(-) 756.62	(-) 90.40	(-) 805.64
Indebtedness at the end of the financial year				
<i>i.</i> Principal Amount	680.70	1032.62	134.00	1847.32
<i>ii.</i> Interest due but not paid	-	26.40	3.23	29.63
<i>iii.</i> Interest accrued but not due	-	-	-	-
Total (I + ii + iii)	680.70	1059.02	137.23	1876.95



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	
		Shri Bimal Lalitsingh Goculdas CEO & Manager	
			Total Amount In Rs.
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(l) of the Income-tax Act, 1961.	3948000	3948000
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961.	248513	248513
	(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)- Retirals	468000	468000
	Total (A)	4664513	4664513

B. Remuneration to other directors (Refer Corporate Governance Report for details):

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Haridas Tricumdas Kapadia	Mr. Madhu Thakorlal Ankleshwaria	Mr. Arvind Wasudeo Ketkar	Mr. Shantilal Tejshi Shah	
1.	Independent Directors					
	• Fee for attending Board/ Committee meetings	120000	120000	80000	40000	360000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (B) (1)	120000	120000	80000	40000	360000
2.	Other Non-Executive Directors	Mr. Laxmikumar Narottam Goculdas		Ms. Mitika Laxmikumar Goculdas		Total
	• Fee for attending Board/ Committee meetings	100000		50000		150000
	• Commission	-		-		-
	• Others, please specify	-		-		-
	Total (B) (2)	100000		50000		150000
	Total (B) = (1 + 2) Total Managerial Remuneration					510000

C. Remuneration to key managerial personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr.D.T. Gokhale Executive Vice President & Company Secretary	Mr.D.K. Sundaram Chief Finance Officer	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	2125000	2017000	4142000
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961.	70461	61600	132061
	© 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	2195461	2078600	4274061

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2016.

REPORT ON CORPORATE GOVERNANCE 2015-2016

1. Company's philosophy on Code of Governance

Your Company strongly believes that its system of Corporate Governance protects the interests of all the stakeholders by inculcating transparent business operations and accountability from management. The Core Values viz. Customer Focus, Team Work, Leadership, Innovation, Respect for People, Integrity and Performance guide the Company towards fulfilling the consistently high standard of Corporate Governance in all facets of the Company's operations. Accordingly, your Company has been practicing the broad principles of Corporate Governance over the years by placing strong emphasis on transparency, empowerment, accountability and integrity so as to continuously enhance values for stake holders - the shareholders, the customers, the employees and the creditors.

2. Governance Structure

The Corporate Governance structure of the Company is as follows:

- i. Board of Directors: The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.
- ii. Committees of the Boards (hereinafter called "Committees"). The Board has constituted the following Committees viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Independent Directors Committee, Stakeholder/Investor and Grievance Committee. Each of the said Committee has been mandated to operate within a given framework.

3. Board of Directors

Composition & Size of the Board

Your Board comprises of an optimal complement of independent professionals having in-depth knowledge of the business and the industry. The size and composition of the Board conforms with the requirements of the Corporate Governance code under the Listing Agreement with the Stock Exchange, Mumbai. The Board is headed by the Non Executive Chairman, Shri Laxmikumar Narottam Goculdas. As on 31st March, 2016 the Board comprised of 6* Directors, all of whom were Non-Executive Directors. The Non-Executive Directors are eminent industrialists and professionals with experience in over-all management and finance, who bring a wide range of skills and experience to the Board. Out of these 6 Non-Executive Directors, 4 were Independent Directors, 1 woman Director, thereby complying with the requirements of the Companies Act, 2013 and the Clause 49 of the Listing agreement. None of the Directors has materially significant pecuniary or business relationship with the Company.

* Shri Shantilal Tejshi Shah, Independent Director resigned on 10th August, 2016.

Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board meeting.

The notice of each Board Meeting is given in writing to each Director. The Agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company.

Intimation given to the Board

The Company provides the information as set out in Clause 49 of the Listing Agreement to the Board and the Board committees to the extent it is applicable and relevant. Such information is submitted either as part of the respective meetings or by way of presentations and discussions during the meeting.

Post Meeting Mechanism

The important decisions taken at the Board/Committee meetings are communicated to the concerned departments/divisions.

Board Support

The Company Secretary attends the Board/Committee meetings and advises on Compliances with applicable laws and governance.

The information as required under Annexure 1A to Clause 49 is being made available to the Board

None of the Directors was a member of more than 10 Board- level committees nor a Chairman of more than 5 such committees, across all Companies in which he was a Director.

Number of Board Meetings held during the year along with the dates of the Meetings.

Five Board Meetings were held during the financial year ended 31st March, 2016. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Agreement. The dates on which the said meetings were held are as follows:

28th May, 2015, 12th August, 2015, 23rd September, 2015, 6th November, 2015 and 12th February, 2016.



Attendance of each Director at the Board Meetings held during the financial year ended 31st March, 2016 and last Annual General Meeting and No. of other Directorships / Memberships of the Committee:

Sr. No.	Name of Directors	Category of Directorship (designation as on 31.03.2016)	No. of Board Meetings attended (out of 5 Meetings held)	Attendance at last AGM	No. of other directorships as on 31.03.2016@	No. of Board Committees of other companies in which Chairman, as on 31.03.2016	No. of Board Committees of other companies in which Member, as on 31.03.2016@@@
1	Shri Laxmikumar Narottam Goculdas DIN 00459347	Chairman	5	Yes	1	1	2
2	Shri H. T. Kapadia DIN 00125090	Non-Executive, Independent	5	Yes	Nil	Nil	Nil
3	Shri M. T. Ankleshwaria DIN 02753794	Non-Executive, Independent	5	Yes	1	2	2
4	Shri A. W. Ketkar DIN 02863429	Non-Executive, Independent	5	Yes	1	1	4
5	Shri S. T. Shah @@ DIN 00004850	Non-Executive, Independent	4	Yes	4	1	2
6	Ms Mitika L. Goculdas DIN 02879174	Non-Executive, Promoter Group	5	Yes	1	1	1

@Excludes Foreign Companies, Private Companies Alternate Directorships.

@@ Shri Shantilal Tejshi Shah, Independent Director resigned on 10th August, 2016.

@@@ Includes membership of Audit Committee, Nomination and Remuneration Committee, Stakeholders Committee, Corporate Social Responsibility Committee and Independent Directors Committee.

Details of Directors being appointed and re-appointed at the ensuing Annual General Meeting to be held on 27th September, 2016.

As per the Companies Act, 2013, not less than two-third of the Directors should be retiring Directors. One-third of these retiring Directors are required to retire every year and if eligible, these Directors qualify for re-appointment.

Accordingly, Shri Laxmikumar Narottam Goculdas retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

A brief resume of the Directors being appointed/eligible for re-appointment is as follows:

Shri Laxmikumar Narottam Goculdas

Shri Laxmikumar Narottam Goculdas, Chairman of the Company has wide knowledge and experience in Industry, Trade, Finance, Commerce, Corporate Affairs and International Trade.

Shri Laxmikumar Narottam Goculdas is Director of Borax Morarji Limited.

Shri Laxmikumar Narottam Goculdas is a member of Audit Committee and the Chairman of the Shareholders' Grievance Committee of Borax Morarji Limited.

Independent Directors

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made there under and meet with requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchange. A Formal letter of appointment to independent Director as provided in Companies Act, 2013 and the Listing Agreement has been issued and disclosed on the website of the Company viz. www.dmcc.com.

Separate Meeting of Independent Directors

In compliance with Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 12th February, 2016, inter alia to discuss the following:

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

All the Independent Directors were present at this meeting except Mr. Shantilal T. Shah.

The details of the familiarization programme of the Independent Directors are available on the website of the Company viz. www.dmcc.com

4. Familiarisation Programme for Directors

At the time of appointing a Director, a formal letter or appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and affirmation taken with respect to the same.

NINETY FIFTH ANNUAL REPORT 2015-16

The Chairman and Manager also has one to one discussion with the newly appointed Director to familiarise him with the Company's operations. Further the Company has put in place a system to familiarise the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

5. Audit Committee

Composition, Terms and Reference

The Audit Committee comprises of three Non-Executive Directors of which two are Independent Directors viz. Shri H. T. Kapadia as the Chairman (Independent Director) and Shri M. T. Ankleshwaria (Independent Director) as member. Shri Laxmikumar Narottam Goculdas, Chairman, Non-Executive Promoter Director is also a member of the Audit Committee. Shri D. T. Gokhale, Company Secretary, acts as the Secretary to the Committee.

The role, terms of reference, authority and power of Audit Committee are in conformity with the requirements of Section 177 of the Companies Act, 2013 and Rules 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement with the Stock Exchange.

Meeting and the attendance during the financial year ended 31st March, 2016.

Four Meetings of the Audit Committee were held during the financial year ended 31st March, 2016 as given below. The attendance of each Committee member at the Audit Committee Meetings are given below:

Dates on which Audit Committee Meeting were held	Shri H. T. Kapadia	Shri Laxmikumar Narottam Goculdas	Shri M. T. Ankleshwaria
28.05.2015	Present	Present	Present
12.08.2015	Present	Present	Present
06.11.2015	Present	Present	Present
12.02.2016	Present	Present	Present

All the meetings were attended by the Chief Finance Officer, Company Secretary, Internal Auditor and Statutory Auditors.

All the members of the Audit Committee are financially literate and also possess the requisite accounting & related financial management expertise.

6. Nomination and Remuneration Committee

Composition

The Nomination and Remuneration Committee comprises of three Non-Executive, Independent Directors. Shri Haridas Tricumdas Kapadia, Non-Executive, Independent Director, is the Chairman of the Committee. The other members of the Nomination and Remuneration Committee include Shri Arvind Wasudeo Ketkar and Shri Madhu Thakorlal Ankleshwaria. The Composition of Nomination and Remuneration Committee is pursuant to the provisions of Sections 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, disclosed at the website of the Company viz. www.dmcc.com

Meeting and Attendance

The Nomination and Remuneration Committee members held their meetings on 12th February, 2016. The necessary quorum was present, since all the members attended the meetings The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company. The table below provides the attendance of the Nomination and Remuneration Committee members:

Dates on which Nomination and Remuneration Committee Meeting were held	Shri H T Kapadia	Shri A W Ketkar	Shri M T Ankleshwaria
12.02.2016	Yes	Yes	Yes

7. Remuneration to Directors

Details of remuneration paid to non-executive directors during the financial year ended 31st March, 2016 are as below:

Sr No	Name of Directors	Board Meeting	Audit Committee Meeting	Nomination and Remuneration Committee Meeting	Independent Directors Committee Meeting	Corporate Social Responsibility Committee Meeting	Total	No. of equity shares held as on 31.03.2016
1	Shri Laxmikumar Narottam Goculdas	50000	40000	Nil	Nil	10000	100000	7821089
2	Shri H. T. Kapadia	50000	40000	10000	10000	10000	120000	6348
3	Shri M. T. Ankleshwaria	50000	40000	10000	10000	10000	120000	Nil
4	Shri A. W. Ketkar	50000	Nil	10000	10000	10000	80000	324
5	Shri S. T. Shah	40000	Nil	Nil	Nil	Nil	40000	Nil
6	Ms Mitika L. Goculdas	50000	Nil	Nil	Nil	Nil	50000	Nil
	Total	290000	120000	30000	30000	40000	510000	7827761



Relation between the Directors

None of the Directors of the Company except Shri Laxmikumar Narottam Goculdas (father of Ms. Mitika Laxmikumar Goculdas) and Ms. Mitika Laxmikumar Goculdas (Daughter of Shri Laxmikumar Narottam Goculdas) are related to each other.

Remuneration to “Chief Executive Officer” and “Manager”

Details of remuneration paid/payable to Chief Executive Officer and “Manager” during the financial year 31st March, 2016 are as below:

(excludes Contribution to Gratuity Fund & Leave Encashment on retirement, since same is provided on actuarial basis for the Company as a whole).

(Amount in Rs.)

Name & Designation	Salary	Contribution to PF & Superannuation Fund	Perquisites	Total
Shri Bimal Lalitsingh Goculdas, Chief Executive Officer	3600000	468000	596513	4664513

Details of Terms of Contract of Chief Executive Officer and “Manager”.

The term of contract of Shri Bimal Lalitsingh Goculdas, Chief Executive Officer, is from 01-04-2016 to 31-03-2019. No severance fees or stock option are available to him.

The Nomination and Remuneration Committee, in its meeting held on 12th February, 2016 recommended and the Board of Directors of the Company at its Board Meeting held on 12th February, 2016 have re-appointed Shri Bimal Lalitsingh Goculdas, subject to the approval of the shareholders by a Special Resolution at the ensuing Annual General Meeting as “ Chief Executive Officer” and “Manager” of the Company within the meaning of the Companies Act, 2013, for a period of three years with effect from 1st April, 2016, on the terms and conditions with necessary disclosures, mentioned in the Resolution and explanatory statement of Item No. 5 of the Notice.

Relation of the Chief Executive Officer and Manager with Directors

Shri Bimal Lalitsingh Goculdas, Chief Executive Officer and Manager of the Company is related to Shri Laxmikumar Narottam Goculdas and Ms. Mitika Laxmikumar Goculdas.

Remuneration Policy

Subject to the approval of the Board and of the Company in General Meeting and such other approvals as may be necessary, the Chief Executive Officer is paid remuneration as per the Agreements entered into between him and the Company. The remuneration structure of the Chief Executive Officer comprises of Salary, H.R.A., Commission, Perquisites, Contribution to Provident Fund & Superannuation and Gratuity.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees.

The performance evaluation of the Chairman, Manager and the Non-Independent Director were carried out by the independent Directors. The Directors express their satisfaction with the evaluation process.

8. Shareholder /Investor Grievance Committee

Details of the Directors and Compliance Officer

The Shareholder/Investor Grievance Committee comprises of Shri Laxmikumar Narottam Goculdas, (Non-Executive Chairman) as Chairman of the Committee with Shri. H. T. Kapadia, Director as other member. The Committee is vested with the requisite powers and authorities. In addition to the Share Transfer related matters, the committee specifically looks into the redressing of shareholders’ and investors’ complaints, if any, like delayed transfer of shares, non-receipt of annual reports, non-receipt of declared dividends etc. Shri D.T.Gokhale, Company Secretary has been appointed as the Compliance Officer.

Composition and attendance

This Committee comprises of Two Directors. Shri Laxmikumar Narottam Goculdas, (Non-Executive Chairman) is the Chairman of the Committee. The table below highlights the composition and attendance of the Members of the Committee. The necessary quorum was present for all Meetings.

Sr. No.	Name of the Directors	Role	Category	No. of Meetings attended
1	Shri Laxmikumar Narottam Goculdas,	Chairman	Non-Executive Promoter	8 of 8
2	Shri Haridas Tricumdas Kapadia	Member	Non-Executive Independent	8 of 8

Details of Shareholders’ Complaints Received, solved and pending Share Transfer

The total number of complaints received and replied to the shareholders during the year ended March 31, 2016 were 3 as per details given below. There were no complaints outstanding as on 31st March, 2016. The number of pending share transfers and pending requests for dematerialization as on 31st March, 2016 were Nil. Shareholders’/Investors’ complaints and other correspondence are normally attended to within seven working days except where constrained by disputes or legal impediments. No investor grievances remained unattended/pending for more than thirty days as on 31st March, 2016.

Sr. No.	Nature of Complaints	Complaint Received	Complaint Redressed
1	Non Receipt of Dividend	3	3

Corporate Social Responsibility Committee

Composition

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee was constituted, which comprises of four Directors, Shri Laxmikumar Narottam Goculdas is the Chairman of the Committee. The other members of the CSR Committee include Shri Haridas Tricumdas Kapadia, Shri Madhu Thakorlal Ankleshwaria and Shri Arvind Wasudeo Ketkar. . The CSR Committee is reconstituted this year with Ms. Mitika Laxmikumar Goculdas as the Chairman of the Committee in place of Shri Laxmikumar Narottam Goculdas and the other members of the Committee continued to be the same. The Composition of CSR Committee is pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as per Section 135 of the Companies Act, 2013.

The Company has formulated a CSR Policy and the same has been uploaded on the website of the Company (www.dmcc.com)

The terms of reference of the Corporate Social Responsibility Committee broadly comprises:

To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

To provide guidance on various CSR initiatives to be undertaken by the Company and to monitor process.

Meeting and Attendance:

The CSR Committee meeting held on 12th February, 2016. The necessary quorum was present for the Meeting. The Composition of the CSR Committee as at 12th February, 2016 and the details of meetings of the Committee are as under:

Sr. No.	Name	Position	Category	No. of Meeting attended
1	Shri L. N. Goculdas	Chairman	Non-Executive Promoter	1 of 1
2	Shri H. T. Kapadia	Member	Non-Executive Independent	1 of 1
3	Shri M. T. Ankleshwaria	Member	Non-Executive Independent	1 of 1
4	Shri A. W. Ketkar	Member	Non-Executive Independent	1 of 1

9. General Meetings and Postal Ballots

The details of last three Annual General Meetings of the Company and the Special Resolutions passed there at are as follows:

- 94th Annual General Meeting was held on 23.09.2015 at 11.00 a.m. at Indian Merchants' Chambers, Walchand Hirachand Conference Hall, Churchgate, Mumbai 400 020 - No Special Resolution was passed at the meeting.
- 93rd Annual General Meeting was held on 18.09.2014 at 11.00 a.m. at Indian Merchants' Chambers, Walchand Hirachand Conference Hall, Churchgate, Mumbai 400 020 - No Special Resolution was passed at the meeting
- 92nd Annual General Meeting was held on 25.09.2013 at 11.30 a.m. at Indian Merchants' Chambers, Walchand Hirachand Conference Hall, Churchgate, Mumbai 400 020 - No Special Resolution was passed at the meeting.

During the year 2015-2016, no Resolution was put through Postal Ballot.

During the year 2014-2015, no Resolution was put through Postal Ballot

During the year 2013-2014, no Resolution was put through Postal Ballot.

10. Disclosures

- Code of Conduct

The Board of Directors has adopted the Code of Business Conduct and Ethics for the Directors and the members of the Senior Management. The said Code has been communicated to the Directors and the Members of the Senior Management. The Code has also been posted on the Company's website www.dmcc.com.

- At every Board Meeting and Audit Committee Meeting, the Register of Contracts maintained Under Section 189 of the Companies Act, 2013 is tabled and signed by the Directors.
- Transactions with the related parties are disclosed in Note No. XIII 7(E) of the Notes to the Accounts in the Annual Report. None of the related parties transactions are in conflict with the interests of the Company at large.
- There was no non-compliance during the last three years by the Company on any matter related to Capital Market. Consequently, no penalties were imposed nor any strictures were passed on the Company by the Stock Exchange, Mumbai (on which the Company's equity shares are listed), SEBI or any other statutory authority.
- The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.
- Related Party Transactions - There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large. The Register of Contracts for the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related parties are disclosed in note number XIII(7) (E) of the notes forming part of Accounts, as per Accounting Standard Number AS 18.
- The Company has adopted Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee.

11. CEO/CFO Certification

The Chief Executive Officer and the Chief Finance Officer of the Company have furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements for the financial year ended 31st March, 2016 and adequacy of internal controls as required in terms of Regulation 17(8) of the Listing Regulations, for the financial year 2015-16 was placed before the Board at its meeting held on 27th May, 2016 and also forms part of this Annual Report.



12. Means of Communications

- Quarterly Financial Results of the Company are forwarded to the Stock Exchange, Mumbai and published in "Free Press Journal" and "Navshakti" newspapers.
- Company has its own web site and all the vital information relating to the Company, its products and its financial results are displayed at the web site. Address of the web site is www.dmcc.com.
- Management Discussion & Analysis Report forms part of Directors' Report. No presentations were made to the institutional investors or analysts during the year.

13. General Shareholder Information

95th Annual General Meeting

Date: Tuesday, 27th September, 2016

Time: 11.00 a.m.

Venue: Indian Merchants' Chambers, Walchand Hirachand Conference Hall, Churchgate, Mumbai 400020.

Financial Calendar for the year 2016-17 (Provisional) :

- Results for the first quarter ending 30th June, 2016 By 14th August, 2016
- Results for the second quarter ending 30th September, 2016 By 14th November, 2016
- Results for the third quarter ending 31st December, 2016 By 14th February, 2017
- Results for the year ending 31st March, 2017 (Audited) By end of May, 2017
- Annual General Meeting for the year ending March, 2017 In September, 2017

Date of Book Closure : 21st September, 2016 to 27th September, 2016 (both days inclusive)

Stock Code : 506405

Listing on Stock Exchange : Bombay Stock Exchange Ltd. (BSE)
25th Floor, P J Towers, Dalal Street, Mumbai 400 001.

: Listing Fees as applicable have been paid.

Demat ISIN : INE505A01010

Corporate Identity Number : L24110MH1919PLC000564

Equity Dividend Payment Date : Not Applicable

Stock Price Data & Performance in comparison to BSE Indices

The monthly high and low of market prices of the Company's Equity Shares traded during the financial year on the Stock Exchange, Mumbai and the BSE monthly high low Indices were as follows:

Month	Shares Price		BSE Indices	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2015	18.50	15.95	29094.61	26897.54
May, 2015	18.45	15.80	28071.16	26423.99
June, 2015	28.90	17.75	27968.75	26307.07
July, 2015	50.55	30.30	28578.33	27416.39
August, 2015	57.60	42.15	28417.59	25298.42
September, 2015	54.75	37.20	26471.82	24833.54
October, 2015	69.60	53.00	27618.14	26168.71
November, 2015	79.65	53.65	26824.30	25451.42
December, 2015	85.65	68.20	26256.42	24867.73
January, 2016	99.00	68.40	26197.27	23839.76
February, 2016	78.85	41.40	25002.32	22494.61
March, 2016	62.30	43.30	25479.62	23133.18

Nominal Value of each Equity Share is Rs. 10/-.

Registrar & Transfer Agents

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup-(W), Mumbai-400 078.

Tel : 022-2596 3838, Fax : 2594 6969

Email : mt.helpdesk@linkintime.co.in

Share Transfer System

Share Transfers are registered and duly transferred share certificates are dispatched within 30 days of receipt, if the transfer documents are otherwise in order. The total number of shares transferred in the Non-dematerialised segment during the financial year ended 31st March, 2016 were 122309.

In terms of the Notification No. SMDRP/POLIC Y/CIR/23/2000 dated 29th May, 2000, issued by Securities and Exchange Board of India, the Equity System of your Company are under compulsory demat trading by all investors, with effect from 28th August, 2000.

Shareholding Pattern and Distribution of Shares:

Shareholding Pattern as on 31st March, 2016:

Category	No. of Shares held	% of Shareholding
Promoters	10359771	48.73
Mutual Funds and UTI	311437	1.47
Banks, Financial Institutions, Insurance Cos.	436656	2.06
Private Corporate Bodies and Trusts	1078640	5.07
Indian Public	8456303	39.78
NRIs/OCBs	483513	2.27
Clearing Members (in the depository)	131501	0.62
TOTAL	21257821	100.00

Note: The total Foreign Shareholding as on 31st March, 2016 was 8591222 shares, which in, percentage terms was 40.41 % of the issued and subscribed capital, out of which 8107709 shares aggregating 38.14 % of the capital represent Promoters' Holding and hence are included in Promoters' category.

The Indian public shareholding includes Non-Executive Independent Directors shareholding as under:

Shri. H. T. Kapadia 6348

Shri. A. W. Ketkar 324

Distribution of Shareholding as on 31st March, 2016.

No. of Shares held	No. of Folios	Percentage	Shares	Percentage
Up to 500	12563	85.8480	1354245	6.3706
501 to 1000	927	6.3346	751227	3.5339
1001 to 2000	491	3.3552	757775	3.5647
2001 to 3000	201	1.3735	516239	2.4285
3001 to 4000	94	0.6423	338478	1.5923
4001 to 5000	90	0.6150	430120	2.0233
5001 to 10000	108	0.7380	816300	3.8400
10001 to 30000	104	0.7107	1804279	8.4876
30001 to 50000	17	0.1162	689032	3.2413
50001 to 100000	13	0.0888	907964	4.2712
100001 and above	26	0.1777	12892162	60.6466
TOTAL	14634	100	21257821	100

Dematerialisation of Shares and liquidity

As on 31st March, 2016, out of 2,12,57,821 Equity Shares of the Company, 19860632 Equity Shares representing 93.42% Equity Shares, have been dematerialized by 6749 shareholders. The total number of shareholders of the Company are 14,634.

The Company has not issued any GDRs, Warrant or any convertible instruments, the conversion of which will have an impact on equity shares of the Company.

The address of the correspondence : The Company Secretary
The Dharamsi Morarji Chemical Co. Ltd.
Prospect Chambers, 317/321, Dr. D. N. Road, Fort, Mumbai 400 001.
Tel : 022 2204 8881/2/3; Fax : 022 2281 3657
E-mail : dgokhale@dmcc.com

Factories:

- (1) Roha :105, MIDC Industrial Area, Audyogik Vasahat Post Office, Dhatav, Roha 402116, Dist. Raigad, Maharashtra.
- (2) Jhar : Jhar Village, Taluka – Dhari, Dist. Amreli 365630, Gujarat.
- (3) Khemli : Khemli Village, Tehsil, Mavli, Dist. Udaipur, Rajasthan.

Date: 10th August, 2016.



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members of,
The Dharamsi Morarji Chemical Co. Ltd.,
Mumbai.

We have examined the compliance of conditions of Corporate Governance as stipulated at Para C of Schedule V in terms of regulations 34(3) and 53(f) of the SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (the 'Regulations') and the listing agreement of **The Dharamsi Morarji Chemical Company Limited** with the Stock Exchange for the year ended March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

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

For **K.S.Aiyar & CO.**
Chartered Accountants
ICAI FRN: 100186W

Place : Mumbai
Date: 10th August, 2016

RAJESH S. JOSHI
Partner
Membership No. 38526

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

The Company had recognized net deferred tax asset in earlier years aggregating to Rs.2654.15 Lacs till 31st March, 2009 considering unabsorbed loss up to 31st March, 2008 and unabsorbed depreciation up to 31st March, 2009. For subsequent financial periods, further net deferred tax asset has not been recognized in view of management's perceptions and reasons detailed in Note No. V(c). We are not in a position to opine on the realisability of the said net deferred tax asset. Consequently, the Accumulated Losses as at the year-end would have been higher by Rs.2654.15 Lacs.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and *except for the possible effects of the matter described in the Basis for Qualified Opinion Paragraph*, 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, of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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', a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid 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, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) 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)



ANNEXURE TO THE AUDITORS' REPORT

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 (net of provision made) in its financial statements 2A(i) to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For K.S.AIYAR & Co
Chartered Accountants
ICAI Firm's Registration No. 100186W

RAJESH S. JOSHI
Partner
Membership No. 38526

Place of Signature: Mumbai
Date: 27th May, 2016

ANNEXURE A

Re: THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED.

Referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements of our report.

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) A substantial portion of these fixed assets has been physically verified by the management during the year. In our opinion the same is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management and No material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any secured or unsecured loans to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the requirements of sub-clause (a), (b) and (c) of clause (iii) are not applicable to the Company.
- (iv) There are no loans given, no investments made, no guarantees given, and no security given by the Company in terms of provisions of section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits during the year. Therefore the question of complying with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder do not arise.
- (vi) The Central Government has specified the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013. Such accounts and records have been made and maintained by the Company.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
- (b) Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax that have not been deposited on account of any dispute are as under.

Name of the Statute	Nature of Dues	Forum where dispute is Pending	Period to which relate	Amount (Rs in Lacs)
Central Excise Act	Duty/Interest/Penalty	Asst. Commissioner	April 2008 to February 2013	24.48
	Duty/Interest/Penalty	Asst. Commissioner	August, 2002 to March, 2007	0.57
	Duty/Interest/Penalty	Asst. Commissioner	2005 to 2006	1.18
	Duty/Interest/Penalty	Asst. Commissioner	October 2008 to August 2013	56.59
	Duty	Dy. Commissioner	March, 2013 to September, 2013	3.79
	Duty	CESTAT, West Zone Bench.	Sept 13 to Aug 14	14.70
	Duty	Additional Commissioner of Central Excise	Nov 10 to Sept 13	5.96
	Duty	Suptd. Of Central Excise(Tech)-IVth Division, Mahad	Oct 13 to Aug 14	0.50
	Duty	Additional Commissioner of Central Excise	Oct 2013 to June, 2014	14.28
	Duty	Asst. Commissioner of Central Excise	September, 2014 to December, 2014	4.43
	Duty	Asst. Commissioner of Central Excise	January, 2015 to April, 2015	1.58
	Transport Fees on SDS	Bombay High Court	2007-08 to 2015-16	46.38
		Total		174.44

- (viii) The Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or any term loans during the year.
- (x) Any fraud by the Company or any fraud on the Company by its officers or employees has not been noticed or reported during the year.
- (xi) Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company and therefore the compliance requirements relevant to a Nidhi Company are not applicable.
- (xiii) All transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, therefore the compliance of the requirement of section 42 of the Companies Act, 2013 are not applicable.
- (xv) Pursuant to the provisions of section 192 of the Companies Act, 2013, the Company has not entered into any non-cash transactions with directors or persons connected with him/her.
- (xvi) The Company is not required to be registered under section 45-1(A) of the Reserve Bank of India Act, 1934.

For K.S.AIYAR & Co
Chartered Accountants
ICAI Firm's Registration No. 100186W

RAJESH S. JOSHI
Partner
Membership No. 38526

Place of Signature: Mumbai
Date: 27th May, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

The internal financial control system over financial reporting that has been established by the management consists mainly of manual/automated controls in various business processes. These controls were verified by us, on a test basis during the year, and were found to be operating effectively in all material respects. We are informed that the Company is in the process of implementing SAP ERP for improved integration and system driven controls.

In our opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company, as stated in the preceding paragraph, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K.S.AIYAR & Co
Chartered Accountants
ICAI Firm's Registration No. 100186W

RAJESH S. JOSHI
Partner
Membership No. 38526

Place of Signature: Mumbai
Date: 27th May, 2016

BALANCE SHEET

AS AT 31ST MARCH, 2016

Particulars	Note No.	As at 31-03-2016 Rs. In lacs	As at 31-03-2015 Rs. In lacs
Equity and Liabilities			
(1) Shareholders' Funds			
(a) Share Capital	I	3,005.78	3,005.78
(b) Reserves and Surplus	II	1,259.00	61.83
(2) Non Current Liabilities	III		
(a) Long Term Borrowings		1,543.18	2,385.20
(b) Other Long Term Liabilities		66.35	71.35
(c) Long Term Provisions		174.09	213.16
(3) Current Liabilities	IV		
(a) Trade Payables		1,684.05	1,485.41
(b) Other Current Liabilities		1,533.73	1,502.91
(c) Short Term Provisions		163.08	110.65
TOTAL		9,429.26	8,836.29
Assets			
(1) Non Current Assets	V		
(a) Fixed Assets			
(i) Tangible assets		2,554.13	2,444.02
(ii) Capital Work in Progress		501.72	58.91
(b) Non Current Investments		38.08	34.08
(c) Deferred Tax Assets (Net)		2,654.15	2,654.15
(d) Long Term Loans and Advances		166.22	162.17
(2) Current Assets	VI		
(a) Inventories		1,525.39	1,203.34
(b) Trade Receivables		1,296.86	1,432.52
(c) Cash and Bank Balances		335.26	338.61
(d) Other Current Assets		357.45	508.49
TOTAL		9,429.26	8,836.29
Significant Accounting Policies and other Explanatory Information	XIII		

As per our report of even date attached.

FOR K.S.AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No. 100186W

RAJESH S. JOSHI
Partner
Membership No.38526

Mumbai, 27th May, 2016

For and on behalf of the Board of Directors

L. N. GOCULDAS
Chairman
DIN:00459347

H. T. KAPADIA
Director
DIN:00125090

B. L. GOCULDAS
Chief Executive Officer

D. K. SUNDARAM
Chief Finance Officer

D.T. GOKHALE
Company Secretary

Mumbai, 27th May, 2016



STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED ON 31ST MARCH 2016

Particulars	Note No.	for the year ended on 31.03.2016 Rs.in Lacs	for the year ended on 31.03.2015 Rs.in Lacs
Revenue from Operations	VII	10,076.29	12,006.43
Other Income	VIII	42.75	29.33
Total Revenue		10,119.04	12,035.76
Expenses			
Cost of materials consumed	IX	5,639.02	7,505.38
Employee benefits expense	X	783.77	635.06
Other expenses	XI	2,039.83	1,925.96
Profit/(Loss) before Finance Costs, Depreciation and Tax (EBITDA)		1,656.42	1,969.36
Finance Costs		116.04	184.63
Profit/(Loss) before Depreciation and Tax		1,540.38	1,784.73
Depreciation		225.83	243.85
Exceptional Item	XII	-	142.60
Profit/(Loss) before Tax		1,314.55	1,398.28
Tax Expenses - MAT		117.38	-
Profit/(Loss) after Tax		1,197.17	1,398.28
Earning per share	XIII(6b)	5.32	6.27
Significant Accounting Policies and other Explanatory Information	XIII		

As per our report of even date attached.

FOR K.S.AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No. 100186W

RAJESH S. JOSHI
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Mumbai, 27th May, 2016

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Mumbai, 27th May, 2016

H. T. KAPADIA
Director
DIN:00125090

D. K. SUNDARAM
Chief Finance Officer

D.T. GOKHALE
Company Secretary

NOTES TO BALANCE SHEET

NOTE: I SHARE CAPITAL

	As at 31-03-2016		As at 31-03-2015	
	Numbers	Rs. In Lacs	Numbers	Rs. In Lacs
(a) Shares authorized				
Equity Shares of Rs.10/- each	30000000	3000.00	30000000	3000.00
Preference Shares of Rs.100/- each	1000000	1000.00	1000000	1000.00
	<u>31000000</u>	<u>4000.00</u>	<u>31000000</u>	<u>4000.00</u>
(b) Shares issued				
Equity Shares of Rs.10/- each	21257821	2125.78	21257821	2125.78
Preference Shares of Rs.100/- each	880000	880.00	880000	880.00
	<u>22137821</u>	<u>3005.78</u>	<u>22137821</u>	<u>3005.78</u>
(c) Shares subscribed and fully paid :				
Equity Shares of Rs.10/- each	21257821	2125.78	21257821	2125.78
Preference Shares of Rs.100/- each	880000	880.00	880000	880.00
	<u>22137821</u>	<u>3005.78</u>	<u>22137821</u>	<u>3005.78</u>
Total		<u><u>3005.78</u></u>		<u><u>3005.78</u></u>

(d) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period ;

Particulars	As at 31-03-2016		As at 31-03-2015	
	Numbers	Rs. In Lacs	Numbers	Rs. In Lacs
Equity Shares.				
Shares outstanding at the beginning of the year	21257821	2125.78	21257821	2125.78
Shares outstanding at the end of the year	21257821	2125.78	21257821	2125.78
Preference Shares				
Shares outstanding at the beginning of the year	880000	880.00	880000	880.00
Shares outstanding at the end of the year	880000	880.00	880000	880.00

Terms/Rights attached to Equity Shares:

The Company is having only one class of Equity shares having a nominal value of Rs.10/- per share.

Every holder of the equity share of the Company is entitled to one vote per share held

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution to the Equity shareholders will be in proportion of the number of shares held by each shareholder

Terms/Rights attached to Preference Shares:

- (i) (i) 600000, 8% Redeemable Cumulative non - convertible Preference Shares of Rs.100/- each aggregating to Rs.600 Lacs were to be redeemed in 5 Equal yearly instalment of Rs.120 Lacs each commencing from Financial Year 2008-09. But due to the Accumulated Losses of the Company, the Company was not in a position to redeem the said Preference Shares during the said Financial Years from 2008-2009 to 2012-2013. Therefore, the Company had approached and requested the Preference Share-holders for further extension of time for the redemption of the said Preference Shares. The Preference Share-holders have agreed for further extension of time for the redemption of the said Preference shares any time upto 31 st March, 2018.

The cumulative dividend on these Preference Shares aggregating to Rs.624 Lacs (Previous year Rs.576 Lacs) is to be paid as and when declared by the Company.

- (ii) 280000, 2.5% Redeemable Cumulative non - convertible Preference Shares of Rs.100/- each aggregating to Rs.280 Lacs are redeemable in 16 Equal yearly instalment of Rs.17.50 Lacs each commencing from 1st April 2012. However, the Company has not redeemed the preference shares as per the redemption schedule due to the Accumulated Losses of the Company. Therefore, the Company had approached and



NOTES TO BALANCE SHEET

requested the Preference Share-holder for further extension of time for the redemption of the said Preference Shares. The Preference Share-holder has agreed for further extension of time for the redemption of the said Preference shares any time upto 31 st March, 2022.

The cumulative dividend on these Preference Shares aggregating to Rs. 57.81 Lacs (Previous year Rs. 50.81 Lacs) is to be paid as and when declared by the Company.

The holders of all Preference shares do not have any voting rights.

The holders of all Preference shares have a first right of cumulative dividend as compared to the shareholders of Equity shares in case the Company declares any dividend.

In the event of liquidation of the Company, all preference shareholders will have a priority over the Equity shareholders to receive remaining assets of the Company, after distribution of all other preferential amounts. The distribution to the Preference shareholders will be in proportion of the number of shares held by each shareholder

(e) Equity Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Particulars	As at 31-03-2016		As at 31-03-2015	
	Numbers	Percentage	Numbers	Percentage
Shri Laxmikumar Narottam Goculdas	78,21,089	36.79%	78,39,377	36.88%

NOTE: II RESERVES & SURPLUS

	As at 31-03-2016 Rs. In Lacs	As at 31-03-2015 Rs. In Lacs
Capital Reserve	3,363.24	3,363.24
Securities Premium Account	98.81	98.81
Other Reseves		
(i) Subsidy from Government of Gujarat	25.00	25.00
(ii) Subsidy from Government of Maharashtra	20.00	20.00
(iii) Subsidy from Government of Rajasthan	15.00	15.00
(iv) Export Profit Reserve	1.80	1.80
(v) Amalgamation Reserve	4.79	4.79
Surplus/(Deficit)		
Balance as per last accounts	(3,466.81)	(4,824.45)
Add : Depreciation in respct of earlier years as per the provisions contain at 7(b) of Schedule II to the Companies Act, 2013	-	(40.64)
	(3,466.81)	(4,865.09)
Add:- Profit / (Loss) of the current year transferred from Statement of Profit & Loss.	1197.17	1,398.28
Total Surplus/(Deficit)	(2,269.64)	(3,466.81)
Total	1,259.00	61.83

NOTES TO BALANCE SHEET

Note: III Non Current Liabilities

	As at 31-03-2016 Rs. In Lacs		As at 31-03-2015 Rs. In Lacs	
(a) Long Term Borrowings				
Secured				
(i) Working Capital Term Loan	174.19		261.73	
(ii) Car Loan from a bank	26.55		13.84	
(iii) Project Loan from bank	101.87		170.40	
(iv) Property Loan from bank	111.57	414.18	-	445.97
Unsecured				
(i) Inter Corporate Deposits from related parties	134.00		223.80	
(ii) Loans from a Director	995.00	1,129.00	1,715.43	1,939.23
These inter corporate deposits and loans from a Director are unsecured and interest free.				
		1,543.18		2,385.20
(b) Other Long Term Liabilities				
(i) Advance received against sale of Land at Navlakhi	45.35		45.35	
(ii) Security Deposits received against Royalty	21.00	66.35	26.00	71.35
(c) Long Term Provisions:				
Provision for Employee Benefits		174.09		213.16
Total		1,783.62		2,669.71

(a) (i) Working Capital Term Loan

Repayable in 60 EMI's commencing from 17-02-2014. Rate of interest is 12%. 26 EMIs have been paid in time, up to 31st March, 2016 and 34 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha and mortgage of office premises of the Company, situated at Mumbai.

Out of total outstanding term loan as on 31st March, 2016 of Rs.259.35 Lacs, amount due in next twelve months is Rs.85.16 Lacs, which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'.(See Note No. IV(b)(ii). The balance Term Loan of Rs.174.19 Lacs is shown above as Working Capital Term Loan.

(ii) Car Loan from a bank

Repayable in 60 EMI's commencing from 21-02-2015. Rate of interest is 10.50%. 14 EMIs have been paid in time, up to 31st March, 2016 and 46 are remaining to be paid as on that date.

Secured against hypothecation of vehicles.

Out of total outstanding term loan as on 31st March, 2016 of Rs.32.75 Lacs, amount due in next twelve months is Rs.6.20 Lacs, which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. IV(b)(iii) . The balance Term Loan of Rs.26.55 Lacs is shown above as Car loan from a bank.

(iii) Project Loan from bank

Repayable in 36 EMI's commencing from 27.07.2015. Rate of interest is 12%.9 EMIs have been paid in time, up to 31st March, 2016 and 27 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha and mortgage of office premises of the Company, situated at Mumbai.

Out of total outstanding term loan as on 31st March, 2016 of Rs.229.78 Lacs, amount due in next twelve months is Rs.127.91 Lacs, which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. IV(b)(iv) . The balance Term Loan of Rs.101.87 Lacs is shown above as Project Loan.



NOTES TO BALANCE SHEET

(iv) Property Loan from bank

Property loan RS. 158.82 lacs taken on 21.03.2016 from a Bank. Repayable in 36 EMI's commencing from 21.04.2016. Rate of interest is 12%.

Amount due in next twelve months is Rs.47.25 Lacs, which is shown as ' Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No.IV(b)(v)). The balance Term Loan of Rs.111.57 Lacs is shown as Property Loan.as above.

Note: IV Current Liabilities

	As at 31-03-2016 Rs. In Lacs		As at 31-03-2015 Rs. In Lacs	
(a) Trade Payable (*)	1,684.05		1,485.41	
(b) Other Current Liabilities				
(i) Current maturities of Long Term Debts	-		112.92	
(ii) Current maturities of Working Capital Term Loan (See Note (a)(i))	85.16		69.66	
(iii) Current maturities of Long Term Debts (Car Loan) (See Note(a)(ii))	6.20		7.99	
(iv) Current maturities of Long Term Debts (Project Loan) (See Note (a)(iii))	127.91			
(v) Current maturities of Long Term Debts (Property Loan) (See Note (a)(iv))	47.25		2.77	
Unclaimed Matured Deposits	-		0.60	
Trade Deposits	114.21		115.56	
Other Payables. (**)	1,153.00	1,533.73	1,193.41	1,502.91
(c) Short Term Provisions				
Provision for Employee Benefits	163.08	163.08	110.65	110.65
Total	3,380.86		3,098.97	

(*) There are no Micro, Small and Medium Enterprises, to whom the Company owes dues at the Balance Sheet date, computed on unit wise basis. Further, the Company has not paid any interest to any Micro, Small and Medium Enterprises during the year ended on the Balance Sheet date, nor is any interest payable to any Micro, Small and Medium Enterprises on the Balance sheet date.

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

(**) Other Payables include Rs.37.62 Lacs (Previous year Rs. 73.81 Lacs) of Sales Tax Loan payable as per scheduled date.



NOTES TO BALANCE SHEET

V-(a) Fixed assets - Tangible

Rs. in lacs

Description	GROSS BLOCK			DEPRECIATION				IMPAIRMENT LOSS	NET BLOCK		
	As on 01.04.2015	Addition	Deductions	As on 31.03.2016	As on 01.04.2015	Deductions	During the Year		As on 31.03.2016	As on 31.03.2016	As on 31.03.2015
Free Hold Land	52.57	-	-	52.57	-	-	-	-	-	52.57	52.57
Lease Hold Land	12.49	-	-	12.49	4.73	-	0.21	4.94	-	7.55	7.76
Buildings	991.75	236.69	-	1,228.44	479.89	-	26.86	506.75	-	721.69	511.86
Plant & Equipments - Owned	9,040.96	48.89	-	9,089.85	6,512.89	-	179.96	6,692.85	729.28	1,667.72	1,798.79
Furniture & Fixtures	93.81	0.39	0.24	93.96	88.55	0.25	0.17	88.47	-	5.49	5.26
Vehicles	75.03	20.89	-	95.92	28.43	-	8.11	36.54	-	59.38	46.60
Office Equipments	131.25	29.20	2.58	157.87	110.07	2.45	10.52	118.14	-	39.73	21.18
TOTAL	10,397.86	336.06	2.82	10,731.10	7,224.56	2.70	225.83	7,447.69	729.28	2,554.13	2,444.02
Previous Year	10,404.48	175.80	182.42	10,397.86	7,153.64	172.93	243.85	7,224.56	729.28	2,444.02	

Note No. V(c) Deferred Tax Assets (Net)

The break-up of the Deferred Tax Liability / (Deferred Tax asset) as on 31.03.2016 and 31.03.2015, recognised by the Company in the books of account, is as follows :

Particulars	As at 31-03-2016 Rs. In Lacs	As at 31-03-2015 Rs. In Lacs
Deferred Tax Liabilities :		
Difference between book and tax depreciation	1,611.05	1,611.05
Others	221.90	221.90
Total	<u>1,832.95</u>	<u>1,832.95</u>
Deferred Tax Assets :		
Unabsorbed depreciation / Business loss	3,610.68	3,610.68
Others	876.42	876.42
Total	<u>4,487.10</u>	<u>4,487.10</u>
Net Deferred Tax Liabilities / (Deferred Tax Assets) :	<u>(2,654.15)</u>	<u>(2,654.15)</u>

The Company's export business over the last three years has been steadily growing. This has been possible due to appropriate marketing efforts coupled with quality consciousness on the part of the Company. The focused R & D activity to identify and develop relevant products meeting high quality standards has always remained vital to the Company's business, and efforts are undertaken to spread this message across the customer base both abroad as well as domestic. The Company is confident of improving the current growth rate substantially in overseas business in addition to consolidating the domestic market both in Speciality and Bulk chemicals. In the near term, the company expects to achieve this objective by making use of the available unutilized capacity as well as building up additional capacity. The marketing team is also being strengthened. Consequently, there is virtual certainty of realization of "Deferred Tax asset" mainly resulting from unabsorbed depreciation and carried forward losses. Accordingly, the recognized "Deferred Tax Asset" of Rs. 2654.15 Lacs as at 31.03.2009, without any addition, is being carried forward.

NOTES TO BALANCE SHEET

Note: VI Current Assets

	As at 31-03-2016 Rs. In Lacs		As at 31-03-2015 Rs. In Lacs	
(a) Inventories (For policy on valuation basis refer Note No. XIII(1))				
Raw materials including RM in Transit Rs. 81.66 Lacs (Previous year Nil)	567.55		289.94	
Material in process (Manufactured)	22.19		4.11	
Finished Goods - Own	567.43		545.41	
Stores and Spares	368.22	1,525.39	363.88	1,203.34
(b) Trade Receivables				
Unsecured, considered good				
Outstanding for a period of more than six months	565.40		397.39	
Outstanding for a period of less than six months	731.46	1,296.86	1035.13	1,432.52
(c) Cash and Bank Balances				
Balances with Banks in Current Accounts	135.58		268.71	
Cash on hand	0.89		6.48	
Fixed Deposits with Bank	135.00		-	
Fixed deposits with Banks kept as margin money for issuing Bank Guarantee.	63.79	335.26	63.42	338.61
(d) Other Current Assets				
Prepaid Expenses	32.70		36.63	
Deposits with Excise, Sales Tax, Customs and other Government bodies	166.69		308.50	
Advance tax (Net of Provision for Taxation)	12.33		4.03	
Others	145.73	357.45	159.33	508.49
Total		3,514.96		3,482.96

Note VI(a) Details of Inventories in Rs. Lacs

	Opening Stock		Closing Stock	
Raw Materials				
Sulphur including in Transit Rs. 81.66 Lacs	264.44		409.54	
	(145.00)		(264.44)	
Special Denatured Spirit	1.27		26.18	
	(10.08)		(1.27)	
Others	24.23		131.83	
	(45.60)		(24.23)	
Total	289.94		567.55	
	(200.68)		(289.94)	

Figures in bracket are in respect of the previous year

Finished Goods (Own)

	Opening Stock		Closing Stock	
Commodity Chemicals	69.56		52.99	
	(46.99)		(69.56)	
Speciality Chemicals	468.80		511.03	
	(314.45)		(468.80)	
Others	7.05		3.41	
	(1.18)		(7.05)	
Total Manufactured Finished Goods	545.41		567.43	
	(362.62)		(545.41)	

Figures in bracket are in respect of the previous year



NOTES TO STATEMENT OF PROFIT AND LOSS

Note : VII Revenue from Operations

	for the year ended on 31.03.2016 Rs.in Lacs	for the year ended on 31.03.2015 Rs.in Lacs
a) From sale of Products - Own - Chemicals		
Commodity Chemicals	4,427.19	4,469.66
Speciality Chemicals	5,902.72	7,669.52
Other Chemicals	230.11	257.16
From sale of Products - Traded	23.68	151.95
From Royalty (Ship Brand)	80.72	105.65
	<u>10,664.42</u>	<u>12,653.94</u>
Less : Excise Duty	684.07	705.62
	<u>9,980.35</u>	<u>11,948.32</u>
b) Other Operating Income	95.94	58.11
TOTAL	10,076.29	12,006.43

Note : VIII - Other Income

	for the year ended on 31.03.2016 Rs.in Lacs	for the year ended on 31.03.2015 Rs.in Lacs
Interest Income	21.18	5.99
Dividend Income	2.19	0.84
Other non -operating income	19.38	22.50
TOTAL	42.75	29.33

Note - IX Cost of materials consumed

	for the year ended on 31.03.2016 Rs.in Lacs	for the year ended on 31.03.2015 Rs.in Lacs
Sulphur	3,119.09	4,125.05
Special Denatured Spirit	456.50	666.34
Others	1,799.36	2,374.42
Purchases of stock in trade	21.85	148.94
Cost of packing materials consumed	282.32	369.34
Decrease/(Increase) in inventories of finished goods, work in progress and Traded goods	(40.10)	(178.71)
	5,639.02	7,505.38

Note : X - Employee Benefits Expense

	for the year ended on 31.03.2016 Rs.in Lacs	for the year ended on 31.03.2015 Rs.in Lacs
Salaries and Wages (Net after Repairs)(*)	652.54	556.84
Contribution to Provident Fund	30.92	18.59
Contribution to Other Funds (Gratuity, Superannuation,etc)	55.41	21.50
Staff Welfare Expenses	44.90	38.13
Total	783.77	635.06
(*) Salaries & Wages allocated to Repairs etc.	42.89	43.45

NOTES TO STATEMENT OF PROFIT AND LOSS

Note : XI - Other Expenses

	for the year ended on 31.03.2016 Rs.in Lacs	for the year ended on 31.03.2015 Rs.in Lacs
Consumption of Stores & Spares (Net after Repairs)(*)	-	0.05
Power & Fuel	532.15	539.57
Repairs to buildings	3.56	22.10
Repairs to machinery	609.15	379.41
Insurance	19.13	13.49
Rates and taxes	74.66	13.25
Internal handling, Freight and carriage outward	357.71	544.12
Net loss/(gain) on foreign currency transactions	(1.75)	20.87
Auditors' Remuneration		
Audit fees	4.50	4.50
Tax audit fees	1.40	1.40
For other services	2.50	1.62
Reimbursement of out of pocket expenses	0.38	0.38
Sundry balances written off / (written back) (net)	(53.47)	(87.80)
Written Down Value Assets Scrapped/Loss on Sale of Fixed Assets	0.01	9.15
Miscellaneous expenses	489.90	463.85
TOTAL	2,039.83	1,925.96
	312.28	187.48

(*) Consumption of Stores & Spares allocated to Repairs etc.

Note : XII - Exceptional Items

	for the year ended on 31.03.2016	for the year ended on 31.03.2015
Retrenchment Compensation & other Retirement Benefits	-	142.60
TOTAL	-	142.60

As per our report of even date attached.

For and on behalf of the Board of Directors

FOR K.S.AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No. 100186W

L. N. GOCULDAS
Chairman
DIN:00459347

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D. K. SUNDARAM
Chief Finance Officer

D.T. GOKHALE
Company Secretary

Mumbai, 27th May, 2016

Mumbai, 27th May, 2016



Note No. XIII

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR APRIL 2015 TO MARCH 2016

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Financial Statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the Historical Cost Convention on an accrual basis of accounting. The Company has prepared Financial Statements to comply in all material respects with the Accounting Standards specified under section 133 of the Companies Act 2013 read with rule 7 of Companies (Accounts) Rules 2014.

The Accounting Policies adopted in the preparation in Financial Statements are consistent with those of previous year.

The Company has elected to present earning before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of the Profit and Loss.

Use of Estimates and Judgements

In preparation of the Financial Statements, in conformity with Indian GAAP the management is required to make Judgements, Estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses for the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty of these assumptions and estimates could result in the outcomes different from the estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods

Fixed Assets

Tangible Assets.

Fixed Assets are stated at cost of acquisition or construction, including attributable interest & financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

Method of Depreciation

Depreciation on all Fixed Assets is provided on Straight Line method as per the useful life specified in schedule II to the Companies Act, 2013

Depreciation on additions and deletions during the year is provided on pro-rata basis.

Cost of leasehold land is amortised over the period of lease.

Treatment of Expenditure during the Construction period

The expenditure incurred during the period of construction (including cost of trial runs, stores issued, expenses on labour allocated for such purpose) is debited to capital work-in-progress and on completion, the costs are allocated to the respective fixed assets. Interest on specific borrowings relating to acquisition of fixed assets is capitalised up to the date of commissioning.

Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and its value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. Previously recognised impairment loss is further provided or reversed, depending on changes in circumstances, if any.

Valuation of Inventories

Inventories are valued at lower of cost and net realisable value. Cost of Raw materials is computed on an annual weighted average basis. In respect of finished goods / work-in-progress, cost is determined by taking into consideration all direct costs and systematic allocation of related fixed & variable overheads.

Investments

Long-term investments are carried at cost. However provision for diminution in value is made to recognise a decline other than temporary in the value of investments. Current investments are stated at costs or fair value whichever is lower.

Revenue

Revenue from Gross Sales include Processing Charges, Excise Duty, Freight on sale of finished goods. Domestic sales are recognised on despatch of products and are stated net of returns. Export sales are accounted on the basis of dates of Bill of Lading. For goods sent on consignment basis, revenue from sale is recognized upon its intimation by the consignment agents. Royalty income on account of usage of Company's Product Brand name is accounted for as per the agreed terms with the concerned manufacturers.

Taxation

Income Tax expense comprises of Current Tax and Deferred Tax charge or credit.

i) Current Tax :

A provision is made for the Current Tax based on Tax Liability computed in accordance with relevant provisions & tax rates as per the Income Tax Act, 1961.

ii) Deferred Tax :

The Deferred Tax charge or credit is recognised using prevailing enacted or substantively enacted tax rates. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets / liabilities are reviewed as at each Balance Sheet date based on developments during the year and available case laws, to reassess realisation/liabilities.

Employees' Benefits

Contribution Plans : -

Contributions to the Company's Provident Fund, Family Pension Fund, Superannuation Fund are being charged to the Statement of Profit and Loss.

Benefit Plans :-

The Company has the scheme which enables employees to encash the accumulated privilege leave (upto stipulated limits) on retirement. The 'Company's liability in respect of this leave encashment scheme is determined on the basis of actuarial valuation and the same is charged to the Statement of Profit & Loss. Gratuity Benefits (based on actuarial valuation) is charged to statement of Profit & Loss.

Foreign Currency Transactions

- (i) Monetary items of assets/liabilities denominated in foreign currency are translated at the exchange rate prevailing on the last day of the accounting year. In respect of items covered by forward exchange contracts, the premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the life of the contract. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or expense for the year. Foreign currency transactions are accounted at the rate prevailing on the date of transaction.
- (ii) Non Monetary items of assets/liabilities which are carried in terms of historical cost determined in a foreign currency are reported using the exchange rate at the date of transaction.
- (iii) Gain or Loss arising out of translation / conversion is taken credit for or charged to the Statement of Profit and Loss.

Provisions / Contingencies

Provision is recognised when the Company has a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value & are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. A contingent liability is disclosed unless the possibility of an outflow of resources embodying the economic benefit is remote.

2 Contingent Liabilities and Commitments

		Rs. in Lacs	
		As at 1st March, 2016	As at 31st March, 2015
A	Contingent Liabilities		
(i)	Outstanding claims in respect of Excise Duty, etc.	128.07	121.62
(ii)	Guarantees given by the Company's Bankers	18.50	48.50
(iii)	Others - Arrears of Cumulative Preference Dividend	681.81	626.81
(iv)	Claims against Company not acknowledged as debts	55.76	55.76
B	Commitments		
(i)	Estimated Amount of Contracts remaining to be executed on Capital Account & not provided for (Net of Advances)	17.72	7.71

The Company has reviewed all its pending litigations & proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable. The Company does not expect the outcome of these proceedings to have the materially adverse effect.

- 3** In view of the "Unabsorbed Depreciation" & "Unabsorbed Business Losses" accruing from the past years, there is no taxable income during the year ended 31st March, 2016 and for the year ended 31st March, 2015. In view of book profit in the current year in terms of Section 115JB of the Income Tax Act, 1961, provision has been made for Rs. 117.38 lacs towards Minimum Alternate Tax(MAT).
- 4** During the year, the manufacturing of Fertilizers at Khemli Factory of the Company remained closed for the entire year and hence the fertilizer segment will no longer be a primary business of the Company. There is only one reportable segment i.e chemicals business of the Company.
- 5** Since the manufacturing operations of Fertilizers at Khemli Factory of the Company have been closed, the services of all employees of that factory have been separated. The Company has provided for the compensation and other retirement benefits to those employees amounting to Rs. 142.60 Lacs which were considered as an Exceptional item during the Financial Year 2014-15.

6 Segment Reporting :

The Company is operating in one reportable primary business segment i.e.Chemicals. Secondary segment information in relation to domestic markets and foreign markets is disclosed to the extent possible taking into account the nature of products, the different risks and returns, the organisation structure and the internal reporting system.



SEGMENT INFORMATION FOR THE PERIOD APRIL 2015 TO 31ST MARCH 2016

INFORMATION ABOUT BUSINESS SEGMENTS			
	Chemicals [Rs in Lacs]	Others / Unallocated Expenditure [Rs. in Lacs]	Total [Rs. in Lacs]
REVENUE (NET)			
Domestic Sales (Net of Excise Duty)	5988.85	80.72	6069.57
	(6667.05)	(105.65)	(6772.70)
Export Sales	3910.78		3910.78
	(5175.62)		(5,175.62)
Total Segment Revenue	9899.63	80.72	9980.35
	(11842.67)	(105.65)	(11948.32)
RESULT (Profit / -Loss before Tax, Interest, Non-operating income, exceptional items and Unallocated Expenditure)	1469.29	-38.70	1430.59
	(1672.09)	,(-89.18)	(1582.91)
Operating Profit			1430.59
			(1,582.91)
Finance Cost			116.04
			(184.63)
Profit/ - Loss before Other Income / MAT			1,314.55
			(1,398.28)
Less : Provision For Mat			117.38
			(-)
Profit / - Loss			1197.17
			(1398.28)
OTHER INFORMATION			
Segment Assets	6,197.46	676.42	6,873.88
	(5,802.23)	(117.62)	(5,919.85)
Segment Liabilities	3,199.25	82.78	3,282.03
	(2,812.36)	(10.90)	(2,823.26)
Capital Expenditure	768.40	2.14	770.54
	(148.27)	(0.12)	(148.39)
Depreciation	201.09	24.74	225.83
	(221.58)	(22.27)	(243.85)
Segment Assets exclude :			
Deferred Tax Asset			2654.15
			(2654.15)
Current Assets relating to Ambernath / Khemli Units			222.09
			(262.28)
Segment Liabilities exclude :			
Secured Loans			680.70
			(639.31)
Unsecured Loans			1166.62
			(2013.04)
Current Liabilities relating to Ambernath / Khemli units			226.29
			(293.05)

Note : Figures in brackets pertain to Previous Year.

NINETY FIFTH ANNUAL REPORT 2015-16

Information about Secondary Segments :- Geographical

	for the period ended	
	31.03.2016	31.03.2015
	Rs. in Lacs	
a) Revenue by Geographical Market		
India - Chemicals	5988.85	6667.05
Outside India - Chemicals	3910.78	5175.62
- Unallocated	80.72	105.65
Total	9980.35	11948.32
b) Carrying Amount of Segment Assets		
India - Chemicals	5732.16	5210.59
- Unallocated	676.42	117.62
Outside India - Chemicals	465.30	591.64
Total	6873.88	5919.85
c) Addition to Fixed Assets and Intangible Assets *		
India	336.06	175.80
Outside India	-	-
Total	336.06	175.80

* excludes Capital Work-in Progress.

6 (a) Other Additional information :

	April 15 / Mar 16 Value (Rs.in Lacs)	Apr 14 / Mar 15 Value (Rs.in Lacs)
(i) VALUE OF RAW MATERIALS AND BOUGHTOUTS, STORES, SPARES AND COMPONENTS CONSUMED		
Raw Materials and Boughtouts:		
Imported	-	-
	-	-
Indigenous	5639.02	7505.38
	(100.00%)	(100.00%)
Stores, Spares and Components:		
Imported	-	-
	-	-
Indigenous	312.28	187.48
	(100.00%)	(100.00%)
(ii) VALUE OF IMPORTS CALCULATED ON CIF BASIS :		
Raw Materials & Boughtouts	-	-
(iii) EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF :		
Foreign tours, Subscription, etc.	111.19	78.53
(iv) EARNINGS IN FOREIGN CURRENCY IN RESPECT OF :		
Export of goods calculated on FOB basis	3826.39	4933.65

6 (b) The working of basic, as well as diluted, earnings per equity share (in Rupees) is as follows :

	Apr 15 / Mar 16	Apr 14/ Mar 15
Numerator - Profit / (Loss) after tax & after deducting Preference dividend & tax thereon (Rs. Lacs)	1130.97	1332.03
Denominator - weighted average number of equity shares	21257821	21257821
Basic, as well as diluted, earnings per equity share (in Rupees)	5.32	6.27



7 Related Parties Disclosures :

(A) Name of the Related Parties

- (i) Shri L.N.Goculdas Promoter and Chairman (holding more than 20% of the voting power)
- (ii) Borax Morarji Ltd.
- (iii) The Natural Gas Co.Pvt.Ltd.
- (iv) L.P.Gas Transport & Bottling Co. Pvt.Ltd.
- (v) Phoenix Distributors Pvt.Ltd.
- (vi) Jasraj Trading Co.
- (vii) Kosan Industries Pvt.Ltd.
- (viii) Bombay Foods Pvt.Ltd.
- (ix) Borax Morarji (Europe) GMBH.

(B) Key Management Personnel

	<u>Nature of Relationship</u>
(i) Shri B.L.Goculdas	Chief Executive Officer
(ii) Shri D.T.Gokhale	Executive Vice President & Company Secretary
(iii) Shri D.K. Sundaram	Chief Finance Officer

(C) Transaction with Promoters holding more than 20% of the voting power

	Rs.in lacs
Sitting Fees for attending Board and Committee meetings	1.00
	(1.00)

(D) Transactions with Related Parties

(i) Purchase of Goods/Services Received by the Company

	Rs. in lacs
Borax Morarji Ltd.	117.86
	(0.10)
L.P.Gas Transport & Bottling Co. Pvt.Ltd.	15.36
	(5.20)
Purchase of Fixed Assets - Equipments by the Company from Borax Morarji Ltd.,	40.45
	(-)

(ii) Sale of Goods/Services Rendered by the Company

Borax Morarji Ltd.	75.64
	(14.26)
Borax Morarji (Europe) GMBH	166.98
	(210.66)

(iii) Expenses Reimbursed (Net) by the Company to Borax Morarji Ltd.

0.25
(6.87)

(iv) Closing balance of Borax Morarji Ltd. included in Current Liability of the Company

9.73

Closing balance of Borax Morarji Ltd. included in Current Assets of the Company

(77.20)

(v) Closing balance of Borax Morarji (Europe) GMBH included in Current Assets of the Company

72.60

(38.40)

(vi) Closing balance of L.P. Gas & Bott. P. Ltd.included in Current Liability of the Company

2.27

(1.23)

(vii) Closing balance included in Unsecured Loan of the Company

134.00

(223.80)

(E) Transactions relating to Key Management Personnel

Rs.in Lacs

(i) Remuneration

72.00

(67.20)

(ii) Rent / HRA paid for residential accommodation / other benefits

17.39

(17.84)

(iii) Unsecured Loan taken by the Company and outstanding as at the year end

995.00

(1,715.43)

Related party relationships are as identified by the Company and relied upon by the Auditors.
Figures in brackets pertain to Previous Year

NINETY FIFTH ANNUAL REPORT 2015-16

8 Employee Benefits :

The Company has made provision for following benefit plans as per Accounting Standard 15 (Revised 2005) "Employee Benefits". Defined Benefit Plans / Long Term Compensated Absences: As per Actuarial Valuation as on 31.03.2015, the required data is as follows:

(i) Continuing Employees :

	Rs. in lacs	
	Apr 15 / Mar 16	LEAVE ENCASHMENT
I Expense recognised in the statement of Profit & Loss Account for period ended 31st March 2016		
1. Current Service Cost	14.91	16.21
2. Interest Cost	12.35	3.08
3. Past Service Cost (vested benefits)	-	-
4. Expected Return on plan assets	-	-
5. Actuarial (Gain) / Losses	2.19	(13.92)
6. Total Expenses	29.45	5.37
II Net Assets / (Liability) recognised in the Balance Sheet as at 31st March 2016		
1. Present value of Defined Benefit Obligation as at 31st March 2016	162.30	42.43
2. Fair Value of plan assets as at 31st March 2016	-	-
3. Funded Status [(Surplus/(Defecit))]	(162.30)	(42.43)
4. Net asset / (Liability) as at 31st March 2016	(162.30)	(42.43)
III Change in Obligation during the period ended 31st March 2016		
1. Present value of Defined Benefit Obligation at the beginning of the year	175.95	40.04
2. Current Service Cost	14.91	16.21
3. Interest Cost	12.35	3.08
4. Past Service Cost - (Vested Benefits)	-	-
5. Actuarial (Gain) / Losses	2.19	(13.92)
6. Benefits Payments	(43.10)	(2.98)
7. Present value of Defined Benefit Obligation at the end of the year	162.30	42.43
IV Change in Assets During the period ended 31st March 2016		
1. Plan assets at the beginning of the year	-	-
2. Expected return on plan assets	-	-
3. Contributions by employers	43.10	2.98
4. Actual benefits paid	(43.10)	(2.98)
5. Actuarial {Gain / (Losses)}	-	-
6. Plan assets at the end of the year	-	-
V Actuarial Assumptions :		
1. Discount Rate	,7.57%	,7.57%
2. Expected rate of return on plan assets	0%	0%
3. Salary Escalation rate	1%	1%
4. Mortality Rate	IALM2008	IALM2008
(ii) For Ex-employees	122.31	10.14

9 Figures in respect of the previous year have been regrouped / rearranged wherever necessary

As per our report of even date attached.

For and on behalf of the Board of Directors

FOR K.S.AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No. 100186W

L. N. GOCULDAS
Chairman
DIN:00459347

H. T. KAPADIA
Director
DIN:00125090

RAJESH S. JOSHI
Partner
Membership No.38526

B. L. GOCULDAS
Chief Executive Officer

D. K. SUNDARAM
Chief Finance Officer

D.T. GOKHALE
Company Secretary

Mumbai, 27th May, 2016

Mumbai, 27th May, 2016



CASH FLOW STATEMENT

for the year ended on 31st March, 2016

Particulars	For the year ended on 31-03-2016 Rs. In Lacs		For the year ended on 31-03-2015 Rs. In Lacs	
A Cash flow from Operating Activities				
Net Profit/(Loss) before Tax		1,314.55		1398.28
Adjustments for				
Add:				
Written Down Value of Assets Scrapped	0.01		9.15	
Depreciation	225.83		243.85	
Interest charged	116.04	341.88	184.63	437.63
Less:				
Dividend Income	2.19		0.84	
Interest income	21.18	23.37	5.99	6.83
Operating Profit before working capital changes		1633.06		1829.08
Adjustment				
Add:				
Decrease/ (Increase) in Inventories	(322.05)		(388.97)	
Decrease / (Increase) in Trade Receivables	135.66		273.36	
Decrease / (Increase) in Other Current Assets	146.99		1153.96	
Increase / (Decrease) in Trade Payable	198.64		(319.26)	
Increase / (Decrease) in Short Term Provisions	52.43		13.45	
Increase / (Decrease) in Long Term Provisions	(39.07)		(19.22)	
Increase / (Decrease) in Long Term Liabilities	(5.00)		-	
Increase / (Decrease) in Other Current Liabilities	30.82	198.42	(342.72)	370.60
Add: Income Tax Refund Received / (MAT PAID)	(117.38)	(117.38)	-	-
Cash Generated / (used) in Operating Activities		1714.10		2199.68
B Cash Flow from Investing Activities				
Add:				
Sale of Fixed Assets	0.11		0.34	
Interest Received	21.18		5.99	
Dividend Received	2.19	23.48	0.84	7.17
Less:				
Purchase of Fixed Assets	336.06		175.80	
Increase / (Decrease) in Capital Work in Progress	442.81		(27.41)	
Purchase of Investment	4.00	782.87	7.46	155.85
Cash Generated from / (used in) Investing Activities		(759.39)		(148.68)

CASH FLOW STATEMENT

for the year ended on 31st March, 2016

Particulars	For the year ended on 31-03-2016 Rs. In Lacs		For the year ended on 31-03-2015 Rs. In Lacs	
C Cash Flow from Financing Activities				
Add:				
Receipt of Car Loan from Bank	12.71		13.84	
Receipt of Project Loan from Bank	-		170.40	
Receipt of Property Loan from Bank	111.57	124.28	-	184.24
Less:				
Repayment of Intercompany deposits	89.80		300.00	
Repayment of Loans to Director	720.43		-	
Interest paid	116.04		184.63	
Repayment of Strategic Investor	-		1404.35	
Repayment of Bank Car Loan	-		7.82	
Repayment of Working Capital Loan	87.54		65.10	
Repayment of Project Loan to Bank	68.53		-	
Repayment of Bank Term Loans	-	1082.34	113.36	2075.26
Cash Generated from / (used in) Financing Activities		<u>(958.06)</u>		<u>(1891.02)</u>
D Net Cash Increase / (Decrease) in Cash & Bank Balances		(3.35)		159.98
E Add: Cash & Bank Balances at the beginning of the year				
Cash and Cash Equivalents	275.19		97.01	
Other Bank Balances (Restrictive use)	63.42	338.61	81.62	178.63
F Cash & Bank Balances at the end of the year				
Cash and Cash Equivalents	136.17		275.19	
Other Bank Balances (Restrictive use)	199.09	335.26	63.42	338.61

As per our report of even date attached.

FOR K.S.AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No. 100186W

RAJESH S. JOSHI
Partner
Membership No.38526

Mumbai, 27th May, 2016

For and on behalf of the Board of Directors

L. N. GOCULDAS
Chairman
DIN:00459347

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Director
DIN:00125090

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Chief Executive Officer

D. K. SUNDARAM
Chief Finance Officer

D.T. GOKHALE
Company Secretary

Mumbai, 27th May, 2016



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Additional Information as required under Part IV of schedule VI of the Companies Act, 1956

I REGISTRATION DETAILS:		<u>Application of Funds:</u>	
Registration No.	00564	Net Fixed Assets	305585
State Code	11	Investments	3808
Balance Sheet Date	31.03.2016	Deferred Tax Assets	265415
		Current Assets	368118
		Accumulated Losses	226964
II CAPITAL RAISED DURING THE YEAR	(Amount in Rs.Thousands)	IV PERFORMANCE OF THE COMPANY	(Amount in Rs.Thousands)
Public Issue	Nil	Turnover(Net off Excise Duty) & Other Income	1011904
Rights Issue	Nil	Total Expenditure	880449
Bonus Issue	Nil	Profit/(Loss) Before Taxation	131455
Private Placement	Nil	Current Tax Expenses - MAT	11738
		Profit/(Loss) After Taxation	119717
		Earning Per Share - Rs.	5.32
III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS	(Amount in Rs.Thousands)	V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY	
Total Liabilities	942926	Item Code No.(ITC Code)	310310.00
Total Assets	942926	Product Description	Single Super Phosphate
		Item Code No.(ITC Code)	280700.01
		Product Description	Sulphuric Acid
		Item Code No.(ITC Code)	280620.00
		Product Description	Chlorosulphonic Acid
<u>Sources of Funds:</u>			
Paid-up Capital	300578		
Reserves and surplus	352864		
Secured Loans	68070		
Unsecured Loans	116662		
Current Liabilities	331716		

The Last Ten Years - DMCC LTD.

(Rs. in lacs)

Particulars	Apr 15 - March 16	Apr 14 - March 15	Apr 13 - March 14	Apr 12 - March 13	Apr 11 - March 12	July 10 - March 11	Apr.09- June10	Oct.07- Mar09	Apr.06- Sep.07	Apr 05- Mar 06
Equity Share Capital	2125.78	2125.78	2125.78	2125.78	2125.78	2125.78	2125.78	** 2125.78	* 2084.24	2029.03
Preference Share Capital	880.00	880.00	880.00	880.00	880.00	880.00	880.00	*** 880.00	600.00	600.00
Reserves & Surplus	3528.64	3528.64	3528.64	3528.64	3528.64	3528.64	165.88	165.88	127.42	67.07
Gross Sales Turnover	10982.12	12978.68	10939.65	9345.77	8939.17	4743.72	6584.40	17677.35	28125.53	18415.98
Profit/(Loss) before Depreciation/Amortisation and Taxation	1540.38	1784.73	1340.66	244.27	87.73	7.19	(2387.21)	(2054.27)	(2486.15)	(23.38)
Depreciation	225.83	243.85	347.39	509.96	486.06	415.73	766.58	1078.04	1205.30	764.51
Amortisation of Lenders' Sacrifice						70.97	32.26	80.95	54.83	28.89
Profit/(Loss) before Exceptional item & Taxation	1314.55	1540.88	993.27	(265.69)	(398.33)	(479.51)	(3186.05)	(3213.26)	(3746.28)	(816.78)
Exceptional items		(142.60)	© 612.65	© 3591.07					© 139.31	
Profit/(Loss) after Exceptional item & before Taxation	1314.55	1398.28	1605.92	3325.38	(398.33)	(479.51)	(3186.05)	(3213.26)	(3606.97)	(816.78)
Deferred Tax Asset								505.98	2148.17	
Profit/(Loss) after exceptional Item & after considering Deferred Tax Asset / Liability	1314.55	1398.28	1605.92	3325.38	(398.33)	(479.51)	(3186.05)	(2707.28)	(1458.80)	(816.78)
Provision for Current Year's Taxation						0.02	0.02	18.04	25.05	20.70
Provision for MAT	117.38									
Profit after Taxation	1197.17	1398.28	1605.92	3325.38	(398.33)	(479.53)	(3186.07)	(2725.32)	(1483.85)	(837.48)
Surplus/(Deficit) brought forward From Previous Year	(3385.53)	(4824.45)	(6430.37)	(9755.75)	(9357.42)	(8877.89)	(5691.82)	(2966.50)	(1482.65)	(645.17)
Transferred from General Reserve	-	-	-	-	-	-	-	-	-	-
Available for appropriation	-	-	-	-	-	-	-	-	-	-
Equity Dividend	-	-	-	-	-	-	-	-	-	-
Employees' Remuneration and Benefits	783.77	635.06	654.55	554.30	563.11	448.42	1713.64	1744.88	2312.84	1320.96
Equity Dividend %	-	-	-	-	-	-	-	-	-	-

* Equity Share Capital increased by Rs.55.21 lacs on account of 5,52,141 Equity shares of Rs. 10/- each, issued to various secured lenders.

** Equity Share Capital increased by Rs.41.54 lacs on account of 4,15,369 Equity shares of Rs. 10/- each, issued to a secured lender.

*** Preference Share Capital increased by Rs.280.00 lacs on account of 2,80,000, 2.50% Redeemable Cumulative Non-Convertible Preference Shares of Rs. 100/- each, issued to a secured lender.

© waiver of dues by banks/financial institutions by one time settlement

© Net Profit on Sale of Assets

THE DHARAMSI MORARJI CHEMICAL COMPANY LTD.

(Regd. Office : Prospect Chambers, 317/321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai - 400 001)

CIN : L24110MH1919PLC000564 Website :www.dmcc.com

e-mail : dgokhale@dmcc.com Phone No.: 022-22048881-2-3 Fax No.: 022-22813657

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 Id: _____

Folio No. / Client ID No.: _____ DP ID No.: _____

I/We, being the member(s) holding _____ Equity Shares of The Dharamsi Morarji Chemical Company Ltd., hereby appoint:

1. Name: _____ E-mailID: _____

Address: _____

_____ Signature: _____ or failing him

2. Name: _____ E-mailID: _____

Address: _____

_____ Signature: _____ or failing him

3. Name: _____ E-mailID: _____

Address: _____

_____ Signature: _____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 95th Annual General Meeting of the Company to be held on Tuesday, 27th September, 2016 at 11.00 am at Indian Merchants' Chamber, Conference Hall (Walchand Hirachand Hall), IMC Marg, Churchgate, Mumbai 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary business	
1	Adoption of the audited financial statements of the Company for the Financial Year ended 31st March, 2016 and the Reports of the Board of Directors and the Auditors thereon
2	To appoint a Director in place of Shri Laxmikumar Narottam Goculdas (holding DIN 00453947), who retires from office by rotation and being eligible, offers himself for re-appointment.
3	Ratification of appointment of Messrs. K. S. Aiyar & Company, Chartered Accountants, holding ICAI Firm Registration Number 100186W, as Statutory Auditors of the Company and fixing their remuneration.
Special business	
4	ORDINARY RESOLUTION: Ratification of Remuneration payable to - CMA Shri S. S. Dongare, holding ICWA Registration Number 12521, as the Cost Auditor of the Company.
5	SPECIAL RESOLUTION: Re-appointment of Shri Bimal Lalitsingh Goculdas as the "Chief Executive Officer" and "Manager" of the Company and remuneration payable to him.

Signed this day of 2016.

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

.....
Signature of the member

Affix
Revenue
Stamp

Notes:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- 2) A Proxy need not be a member of the Company.
- 3) A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- 4) This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitle to vote in the manner as he/she thinks appropriate.
- 5) Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
- 6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all joint holder should be stated.

THE DHARAMSI MORARJI CHEMICAL COMPANY LTD.

(Regd. Office : Prospect Chambers, 317/321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai - 400 001)

CIN : L24110MH1919PLC000564 Website :www.dmcc.com

e-mail : dgokhale@dmcc.com Phone No.: 022-22048881-2-3 Fax No.: 022-22813657

ATTENDANCE SLIP

(To be presented at the entrance)

95TH ANNUAL GENERAL MEETING ON TUESDAY, 27TH SEPTEMBER 2016 AT 11.00 AM

at Indian Merchants' Chamber, Conference Hall (Walchand Hirachand Hall), IMC Marg,
Churchgate, Mumbai 400 020,

DP ID*: _____

Folio No: _____

Client ID*: _____

No. of Shares: _____

Name and address of Shareholder:

I hereby record my presence at the 95th ANNUAL GENERAL MEETING of the Company held on Tuesday, 27th September, 2016 at 11.00 a.m. at Indian Merchants' Chamber, Conference Hall (Walchand Hirachand Hall), IMC Marg, Churchgate, Mumbai 400 020.

*Applicable to Shareholders holding shares in electronic form

Note: Please fill the attendance slip and hand it over at the entrance of the Meeting Hall.

Signature of Shareholder/Proxy

COURIER / REGISTERED POST / SPEED POST

If not delivered, please return to:

THE DHARAMSI MORARJI CHEMICAL CO. LTD.

Prospect Chambers,

317/321, Dr. Dadabhoy Naoroji Road,

Fort, Mumbai 400 001.

CIN : L24110MH1919PLC000564

Website : www.dmcc.com

e-mail : dgokhale@dmcc.com