

64th Annual Report

2014-15



SUDARSHAN



SUDARSHAN

- Spiritually fulfilled
- Socially just
- Environmentally sustainable

Vision

- To be amongst the top four pigment players in the world

Mission

- World class Global color solution provider with a
- Vibrant and Innovative culture

Values

S SEVA

C COURAGE

C COMMITMENT & PASSION

R RESPECT

T TRUST



SUDARSHAN

Annual Report

2014-15

Sudarshan Chemical Industries Limited



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FINANCIALS AT A GLANCE

Rs. in Lacs

Financial Highlights	2014-15	2013-14	2012-13	2011-12	2010-11
Income From Operations (Excluding Excise)	108,829	102,665	78,525	74,423	70,712
Profit Before Tax	5,962	5,483	2,505	5,018	7,919
Profit After Tax	4,241	3,442	2,106	3,615	5,581
Equity Share Capital	1,385	692	692	692	692
Net Worth	28,026	25,352	23,125	22,032	19,423
Net Fixed Assets (including CWIP)	31,667	32,202	33,068	23,389	16,413

Key Financial Ratios	2014-15	2013-14	2012-13	2011-12	2010-11
Current Ratio	1.22	1.27	1.28	1.41	1.57
Debt Equity Ratio	1.25	1.31	1.47	1.04	0.80
PBDIT (% to Net Sale)	12.22	12.50	10.42	12.00	14.81
PAT (% to Net Sale)	3.92	3.37	2.70	4.90	7.97
Return (PBIT) on Capital Employed %	13.79	13.48	8.36	13.86	19.85
Dividend (Per Share) (Rs.)*	1.75	1.50	1.25	1.25	1.25
Earnings (Per Share) (Rs.)*	6.13	4.97	3.04	5.22	8.06

Note :

- * During the year 2014-15 the Company sub divided the face value of equity share from Rs.10 to Rs.2 . Hence, previous years figures have been restated for the sake of comparison.

Appeal for newspaper contribution

Sudarshan drives its Corporate Sustainability initiatives under the name of SUDHA (Sudarshan's Holistic Aspiration). SUDHA started the Paper Bag project way back in 2011. We started this project with 12 skilled volunteers and they trained 20 ladies in one village near the Roha plant. With this humble beginning in 2011, today the paper bag project has come a long way. Now this project has more than 150 village women who are earning their livelihood by making newspaper bags. They earn a sustainable income of approx Rs. 1,500- Rs.3,000 p.m. SUDHA's role in enabling women to earn this income is by providing news papers free of cost and by helping them in finding markets to sell these bags.

Currently we are selling 80,000 bags per month and we are looking at providing livelihood to 300 women in the year 2015-2016. As we are receiving more orders, the challenge we are facing at this juncture is shortage of newspapers. Hence, we would humbly request you all to kindly donate newspapers as this would enable us in serving the cause we are driving as an organisation.

Your contribution would serve as a dual purpose:

“Touch lives
and save the
environment”



BOARD OF DIRECTORS

Mr. Kishor L. Rathi	Chairman
Mr. Pradeep R. Rathi	Vice Chairman and Managing Director
Mr. Rajesh B. Rathi	Dy. Managing Director
Mr. Shrikrishna N. Inamdar	Non-Executive, Independent Director
Mr. Pralhad P. Chhabria	Non-Executive, Independent Director
Mr. Dara N. Damania	Non-Executive, Independent Director
Mr. Subramanian Padmanabhan	Non-Executive, Independent Director
Mr. Sanjay K. Asher	Non-Executive, Independent Director
Mr. Narayandas J. Rathi	Non-Executive Director
Mrs. Rati F. Forbes	Non-Executive, Independent Director
Mr. Naresh T. Raisinghani	Non-Executive, Non-Independent Director (w.e.f. 13 th February, 2015)
Mrs. Shubhalakshmi A. Panse	Non-Executive, Independent Director (w.e.f. 27 th May, 2015)

DY. GENERAL MANAGER FINANCE (ACTING CFO)

Mr. V. V. Thakur

COMPANY SECRETARY

Mr. P. S. Raghavan

BANKERS

Bank of Maharashtra
State Bank of India
Bank of Baroda
ICICI Bank Limited
HDFC Bank Limited
HSBC Limited
Export - Import Bank of India

STATUTORY AUDITORS

B. K. Khare & Company
Chartered Accountants,
Mumbai.

REGISTERED OFFICE / GLOBAL HEAD OFFICE

162 Wellesley Road,
Pune 411 001, Maharashtra (India)
Phone : +91 020 26226200
Fax : +91 020 26058222
CIN : L24119PN1951PLC008409

FACTORIES

Roha : 46 MIDC Estate, Dhatav, Roha 402 116,
Dist. Raigad, Maharashtra (India)
Mahad : Plot No. A-19/1+2, MIDC Estate,
Mahad 402 301, Dist. Raigad,
Maharashtra (India)

Board Committees**Audit Committee**

Mr. S.N. Inamdar	Chairman
Mr. D.N. Damania	
Mr. S.K. Asher	
Mr. P.R. Rathi	

Nomination and Remuneration Committee

Mr. P.P. Chhabria	Chairman
Mr. S.N. Inamdar	
Mr. D.N. Damania	
Mr. S.K. Asher	
Mr. N.J. Rathi	

Stakeholders' Relationship Committee

Mr. P.P. Chhabria	Chairman
Mr. S.K. Asher	
Mr. P.R. Rathi	
Mr. N.J. Rathi	

Corporate Social Responsibility Committee

Mrs. R.F. Forbes	Chairperson
Mr. P.R. Rathi	
Mr. R.B. Rathi	

Risk Management Committee

Mr. D.N. Damania	Chairman
Mr. S. Padmanabhan	Director
Mr. P. R. Rathi	Vice Chairman & MD
Mr. R. B. Rathi	Dy. Managing Director
Mr. A. Vij	Chief Operating Officer – Pigment Division
Mr. N. V. Kamat	Sr. General Manager – SHE
Mr. V. V. Thakur	Dy. General Manager – Finance

The Board of Directors - Subsidiaries**Prescient Color Limited**

Mr. K.L. Rathi	Chairman
Mr. R.K. Rathi	Managing Director
Mr. P.R. Rathi	Director
Mr. N.J. Rathi	Director
Mr. R.B. Rathi	Director
Mr. S. Padmanabhan	Independent Director (w.e.f. 8 th July, 2015)

RIECO Industries Limited

Mr. D.N. Damania	Chairman (Independent Director) (w.e.f. 10 th February, 2015)
Mr. A.B. Rathi	Managing Director
Mr. K.L. Rathi	Director
Mr. P.R. Rathi	Director
Mr. R.B. Rathi	Director
Mr. N.J. Rathi	Director
Mr. V. R. Bhatia	Director

Sudarshan Europe B.V., The Netherlands

Mr. R.B. Rathi	Managing Director
Mr. P.R. Rathi	Director (Representing Sudarshan, India)
Mr. Hans Jurgen Runde	Director
Mr. Vikas Chaturvedi	Director (Representing E7 Trust B.V.)
Mr. A.N. Rathi	Director

Sudarshan North America Inc., USA

Mr. R.B. Rathi	Managing Director
Mr. P.R. Rathi	Director (Representing Sudarshan Europe B.V., The Netherlands)
Mr. A.N. Rathi	Director

Sudarshan CSR Foundation

Mr. P.R. Rathi	Chairman
Mr. R.B. Rathi	Director

DIRECTORS' REPORT TO THE SHAREHOLDERS - 2014-15

Your Directors are pleased to present the 64th Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2015.

1. FINANCIAL HIGHLIGHTS:

The Company's financial performance for the year ended March 31, 2015 is summarized below:

Particulars	2014-2015 (Rupees in million)	2013-2014 (Rupees in million)
Total Revenue	11,113.23	10,313.79
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	1,321.87	1,277.76
Less : Interest	328.13	375.97
Less : Depreciation	397.53	353.51
Less : Provision for Taxation	172.14	204.10
Profit after Tax	424.07	344.18
Add : Surplus brought forward	724.67	561.98
Net Profit available for appropriation	1,148.74	906.16
Appropriations		
(1) General Reserve	60.00	60.00
(2) Dividend proposed @ 1.75 per share on the face value of Rs 2 per equity share (87.50 %) (previous year dividend paid @ 150 % on the face value of Rs. 10 per equity share)	121.15	103.84
(3) Tax on Dividend	24.67	17.65
Total	205.82	181.49
Surplus to be carried forward	942.92	724.67

2. THE YEAR IN RETROSPECT:

(A) SALES:

Total Revenue from operations for the year ended 31st March, 2015 aggregated to Rs. 11,113 million as against Rs. 10,314 million achieved during the previous year. Profit after tax for the year ended 31st March, 2015 was Rs.424 million as against Rs. 344 million earned during the previous year.

Pigment sales increased from Rs. 9,125 million in the previous year to Rs. 9,578 million in the year under review. Profits for the Pigment Division for the year under review amounted to Rs. 1,167 million as compared to Rs. 1,058 million of the previous year.

Agro Sales for the year ended 31st March, 2015 amounted to Rs. 1,155 million as against Rs. 1,100 million achieved during the previous year. Profits for the Agro Division for the year under review amounted to Rs. 77 million, which when compared, remained the same as in the previous year.

The results of the Company for the year under review viewed in the background of adverse macro economic conditions and negative business sentiments are nevertheless considered satisfactory.

(B) EXPORTS:

The Company's overseas subsidiaries in Netherlands and North America set up with the objective of marketing and selling Pigments continue to record improved performance. Revenue from pigment exports for the year ended 31st March, 2015 amounted to Rs. 4,602 million as against Rs. 4,380 million for the previous year.

3. SUB DIVISION OF EQUITY SHARES AND ISSUE OF BONUS SHARES:

As a means to reward its Members, the Board of Directors in its meeting held on 9th August, 2014 recommended the sub division of Equity Shares of the Company from Rs. 10 each to Rs. 2 each along with issue of Bonus Shares in the ratio of 1:1. Post sub division of the equity shares and issue of bonus shares, the paid-up capital has increased to Rs. 138,454,500 consisting of 69,227,250 equity shares of Rs. 2 each.

4. DIVIDEND:

Considering the overall performance of the Company, the Directors recommend, subject to approval of the Members, a dividend of Rs. 1.75 per share on a face value of Rs. 2 (87.50%) for the year ended 31st March, 2015. The total outgo on account of dividend @ 87.50% and dividend distribution tax @ 20.36% will be Rs. 145.81 million for the year under review.

The dividend will be paid to Members whose names appear in the Register of Members as on 14th August, 2015 and in respect of shares held in dematerialized form, it will be paid to Members whose names are furnished by the National Securities Depository Limited and Central Depository (Services) India Limited, as beneficial owners as on that date.

5. FIXED DEPOSITS:

Your Company has accepted Fixed Deposits from Members and Public deposits after complying with relevant provisions of the Companies Act, 2013. All prior deposits accepted from Members and Public under the erstwhile provisions of the Companies Act, 1956 have been repaid before the statutory deadline of 31st March, 2015. For more information on Deposits, please refer to the **Annexure I** of the Directors Report.

6. NEW BUSINESS OPPORTUNITIES:**(A) PURCHASE OF INDUSTRIAL MIXING SOLUTIONS BUSINESS OF RATHI VESSELS AND SYSTEMS PRIVATE LIMITED**

Members may be aware that the Company has been using Mixers since inception for mixing of various Pigment preparations. These Mixers were sourced from Rathix Mixers Private Limited and thereafter from Rathix Vessels and Systems Private Limited. Considering the fact that there is synergy in terms of managerial resources, common customers and good potential of scale up, the Board of Directors have given their consent to purchase the Industrial Mixing Solutions Business of Rathix Vessels and Systems Private Limited. The purchase is effective from 1st October, 2014 and the transaction was completed on 30th March, 2015. Presently, the business integration process is going on and barring unforeseen circumstances, the expected benefits will be reflected in the results of the ensuing years.

(B) PURCHASE OF SHARES CONSISTING OF THE ENTIRE PAID UP SHARE CAPITAL OF RIECO INDUSTRIES LIMITED:

RIECO Industries Limited is, among others, into the manufacturing of size reduction equipments, pollution control equipment. Considering the fact that there is synergy in terms of managerial resources and good potential of scale up, the Board of Directors based on an assessment of the business potential of RIECO Industries Limited, have given their consent to purchase shares consisting of the entire paid-up share capital of the Company. The transaction was closed on 10th February, 2015, effectively making RIECO Industries Limited a Wholly-Owned Subsidiary of the Company.

It is expected that the strategic purchases or investments made by the Company will enhance stakeholders' value in the long run.

7. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with Section 134 of the Companies Act, 2013 the Directors based on the representation received from the management, confirm that:

- (i) in the preparation of accounts for the Financial Year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of Financial Year and of the Statement of Profit and Loss of the Company for that period;

- (iii) 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) the directors have prepared the Annual Accounts on a going concern basis;
- (v) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- (vi) 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.

8. CORPORATE GOVERNANCE:

Your Company is committed to maintain high standards of Corporate Governance keeping in mind the requirements and the aspirations of various stakeholders. It is the endeavour of the Board of Directors and the executive management of your Company to ensure that actions are always based on principles of responsible corporate management. The Board of Directors is pleased to inform its Members that it has complied with the mandatory requirements of corporate governance set out by the Securities and Exchange Board of India.

A detailed report on Corporate Governance, duly certified by the Statutory Auditors of the Company B.K. Khare & Co., Chartered Accountants, Mumbai is appearing separately in the Annual Report.

9. MANAGEMENT DISCUSSION AND ANALYSIS:

A Management Discussion and Analysis covering a wide range of issues relating to industry trends, Company Performance, Business and Operations is given separately in the Annual Report.

10. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

The particulars of contracts or arrangements made with related parties pursuant to Section 188 is covered in notes to the Financial Statements and material contracts / arrangements made with related parties is given in Form AOC-2 which is attached as **Annexure VI** to this report. All related party transactions entered into during the Financial Year 2014-15 were in the ordinary course of business of the Company and on arm's length basis. Further all such transactions were scrutinized by the Audit Committee to ensure that they are in the overall interests of the Company. The above contracts and arrangements also includes transactions of Non Executive Directors with the Company.

The policy on related party transactions as approved by the Board of Directors can be accessed from the Company's website – www.sudarshan.com

11. CORPORATE SOCIAL RESPONSIBILITY:

As per the Companies Act, 2013, all companies having a net worth of Rs. 500 Crore or more, or a turnover of Rs. 1,000 Crore or more or a net profit of Rs. 5 Crore or more during any Financial Year will be required to constitute a Corporate Social Responsibility Committee ('CSR Committee') of the Board of Directors comprising three or more directors, at least one of whom shall be an independent director.

Accordingly, Board has constituted a CSR Committee comprising Mrs. Rati F. Forbes, Independent Director as the Chairperson with Mr. P.R. Rathi and Mr. R.B. Rathi, Directors as its Members. The CSR Committee is responsible for formulating and monitoring the CSR policy of the Company. The CSR Committee has adopted a policy that intends to :

- Strive for economic development that positively impacts the society;
- Be responsible for the corporation's actions and encourage a positive impact through its activities on the environment, communities and stakeholders.

Corporate Social Responsibility ('CSR') activities as per the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014, can be undertaken by the Company through a registered trust or a registered society. The Company has, accordingly, set up Sudarshan CSR Foundation ('the Foundation') as a non-profit company and the same has been incorporated on 3rd March, 2015. The Foundation will work closely with and support the Board of Directors and the Committee in CSR activities. The Foundation will assist the CSR Committee in identifying the areas of CSR activities, programs and execution of initiatives as per pre-defined guidelines. The Foundation will also assist the Board of Directors and the CSR Committee in reporting progress of deployed initiatives and in making appropriate disclosures (internal / external) on a periodic basis.

The CSR activities of the Company are largely in accordance with Schedule VII to the Companies Act, 2013. All CSR activities of the Company are carried out under the aegis of "SUDHA" (Sudarshan's Holistic Aspiration). As a

responsible corporate citizen, the Company continues its efforts to meet the Environmental, Health & Safety expectations of society at large.

The Company's grand vision is "Growing together" with all its stakeholders in a manner that is Spiritually fulfilling, Socially just and Environmentally sustainable. SUDHA contributes to this vision by ensuring that all its initiatives are driven with this perspective in mind. SUDHA's vision is 'Aspiring wholesome sustainable growth for women and children of communities around the Company's plants' and Mission is 'Reach out to communities by engaging in projects related to Livelihood, Health, Education & Community Development'.

SUDHA was envisaged as a movement to involve the company and the community in which it operates to create better living standards and safeguard the environment. As a part of Corporate Sustainability, SUDHA has been engaged in various social projects, embracing the people that live in the vicinity of its manufacturing and other facilities.

Various projects that SUDHA is working on are Livelihood project where Paper Bag project is the Flagship project. Approximately 150 ladies are directly associated with this project and are earning a livelihood of Rs. 2,000 to Rs. 3,000 per month on an average. SUDHA is also working on vocational enhancing skill projects like Stitching and Paper craft. Health being a very important aspect, SUDHA is also working on improving the health of village ladies. Initiatives taken during the last year include setting up Health check up camps, follow ups for 554 ladies and medication given to the ladies for low HB.

Education and Environment focus is another important area where SUDHA has been involved. Through all these initiatives, SUDHA has touched the lives of thousands of people around the Company's facilities.

Out of the total entitlement of Rs.87.69 Lacs which the Company was required to spend for designated CSR activities as mandated under Section 135 of the Companies Act, 2013, the Company could spend an amount of Rs.52.67 Lacs. Prime reason for the shortfall in CSR spending were delays in identifying and finalising tie-ups with NGOs for discharging the CSR Obligations. The balance unspent CSR amount of Rs. 35.02 Lacs is being carried over and will be spent on CSR activities in the current year.

The Corporate Sustainability Policy and Annual Report on CSR activities are annexed as **Annexure IV** to this report.

12. RISK MANAGEMENT:

Risks are events, situations or circumstances which may negatively impact the Company's business. The Company is adopting a formal approach to risk management in such a way that key risks are managed within a unitary framework.

In a dynamic and volatile environment, all companies face uncertainty, and the challenge for your Company is to determine how much uncertainty to accept as it strives to grow stakeholder value. The Board of Directors on the recommendation of the Risk Management Committee has approved a Risk Management Policy providing guidelines to effectively identify and deal with risks contributing to uncertainty, balancing risk and opportunity and enhancing the capacity to build stakeholders' value.

The Risk Management Committee has identified specific risks which may critically impact the operations of the Company and has recommended suitable measures to counter them so that the impact is minimized. The Company also has insurance policies in place to reduce adverse impact of any untoward incidents which are critical in nature.

13. REMUNERATION POLICY:

The Remuneration policy of the Company covering the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters has been provided separately as **Annexure III**.

14. SUCCESSION POLICY:

The Company has a Succession Policy approved by the Board of Directors with the main objective to ensure the orderly identification and selection of new Directors, Working Directors or Senior Management in the event of any vacancy, whether such vacancy exists by reason of an anticipated retirement, re-organization, unanticipated departure, the expansion of the size of the Company, or otherwise. For full details, members are requested to refer to the Company's web site www.sudarshan.com

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In terms of Section 152 of the Companies Act, 2013 and Article 116 of the Articles of Association of the Company,

Mr. K.L.Rathi, Director will retire at the 64th Annual General Meeting and will be eligible for reappointment. The Board of Directors recommend the reappointment of Mr. K.L.Rathi, as a Director of the Company. Further Mr. K.L.Rathi has expressed his desire to step down as Chairman at the conclusion of the ensuing 64th Annual General Meeting. The Board of Directors record its appreciation for the services rendered by Mr. K.L.Rathi as Chairman of the Board of Directors.

Mr. Naresh T. Raisinghani has joined the Board of Directors of the Company w.e.f. 13th February, 2015 as a Non-Independent Director and holds office upto the conclusion of the ensuing 64th Annual General Meeting. A brief profile of Mr. Naresh T. Raisinghani is detailed in the Report of Corporate Governance as also in the Notice of the 64th Annual General Meeting. Members are requested to consider appointing Mr. Naresh T. Raisinghani as a Non-Independent Director. The Board of Directors recommend his appointment as a Non-Independent Director.

Mrs. Shubhalakshmi A. Panse was co-opted as an Independent Director of the Company w.e.f. 27th May, 2015 and holds office upto the conclusion of the ensuing 64th Annual General Meeting. A brief profile of Mrs. Shubhalakshmi A. Panse is detailed in the Report of Corporate Governance as also in the Notice of the 64th Annual General Meeting. Members are requested to consider appointing Mrs. Shubhalakshmi A. Panse as an Independent Director for a period of 5 years. The Board of Directors recommend her appointment as an Independent Director.

Key Managerial Personnel

In accordance with the provisions of Section 203 of the Companies Act, 2013, the following are Key Managerial Personnel:

- a. Mr. P.R. Rathi, Vice Chairman and Managing Director
- b. Mr. R.B. Rathi, Dy. Managing Director
- c. Mr. V.V. Thakur, Dy. General Manager (Acting CFO)
- d. Mr. P.S. Raghavan, Company Secretary

Declaration by an Independent Director

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

Annual Evaluation of Board of Directors, its Committees and Individual Directors

The Nomination and Remuneration Committee has devised a criteria for performance evaluation of independent directors, Board, Committees of the Board of Directors and other individual directors which includes criteria for performance evaluation of the Non-executive Directors and Executive Directors.

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors have carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A separate exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board of Directors. The performance evaluation of the Independent directors was carried out by the entire Board of Directors.

At a separate meeting of the Independent directors, the performance evaluation of the Chairman, Non-independent directors and the Board of Directors was carried out by the Independent directors who also reviewed the adequacy and flow of information to the Board of Directors. The Directors expressed their satisfaction with the evaluation process.

The policies of Board diversity and performance evaluation of Directors of the Company can be accessed from the Company's website www.sudarshan.com

16. GREEN INITIATIVE:

Members are aware that the Company had started a sustainability initiative with the aim of going green and minimizing impact on the environment. Like the previous year, Electronic copies of the Annual Report 2014-15 and Notice of the 64th AGM are being sent to all Members whose email addresses are registered with the Company / Depository Participant(s). For Members who have not registered their email addresses, physical copies of the Annual Report 2014-15 and the Notice of the 64th AGM are sent in the permitted mode. Members requiring physical copies can send a request to the Company Secretary.

The Company is providing remote e-voting facility to all Members to enable them to cast their votes electronically on all resolutions set forth in the Notice of the AGM. This is pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2015. The instructions for remote e-voting is provided in the Notice of the AGM.

17. INDUSTRIAL RELATIONS:

Industrial relations continue to remain cordial at Roha and Mahad plants, GHO Pune and at R & D Laboratory situated at Ambadvet (Sutarwadi), Dist. Pune. The Board of Directors record its appreciation of the commitment and support of employees at all levels.

18. HUMAN RESOURCES :

During the year under review several human capital enhancing measures were undertaken:

- In order to improve the productivity and ability of the organization to meet future challenges, a manpower restructuring and organization structure augmentation project was initiated and successfully completed. The process started with a scientific study with support by a professional partner using various methodologies to arrive at the right size and skills required. The surplus manpower thus identified were either out placed with a professionally designed outplacement programme or were allowed to separate with best in industry severance packages.
- Communication of Company performance and objectives to employees at all levels by the top management has become a culture at the Company with SUDA CONNECT being celebrated for the second year in succession. The event also provided an opportunity to reward exemplary performances at individual level based on meritocracy. Employees with long services in the Company were also felicitated during this occasion. The culture of transparency was demonstrated through a question answer session where employee questions were responded by leadership team of the Company. Employees demonstrated their talents through a cultural programme where the organisation's new Mission and Values were launched. The meet established a perfect blend of communication and celebrations.
- The Performance Management System got a shot in the arm with the introduction of cloud based IT system which is SAP based.
- All the Human Resource processes and initiatives launched in the last three years are being reinforced and strengthened. As an endorsement of these efforts, the company received two accolades at "World HRD Congress 2015" as described below:
 1. "Organisations with Innovative HR Practices" for our Spiritually Fulfilling Life at Sudarshan initiative;
 2. "Best Leadership Development Programme for Middle management" for our Wholesome Leadership Development Program (WLDP) initiative

These global awards have reinforced our belief of realizing Company's vision of becoming one among the top four pigment producers in the World.

19. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

The Company has formulated an induction programme designed to acclimatize new Directors joining the Board of Directors of the Company. Further, the Company also has an ongoing programme where Directors in the course of meetings of the Board of Directors are given information about the operations / functional areas of the Company, business model as also developments in legal and regulatory areas which impact the working of the Company so as to enable them to discharge their roles, rights and responsibilities in the Company effectively.

Members are requested to refer to the website of the Company www.sudarshan.com for more details about the familiarization program.

20. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has a Policy for prevention, prohibition and redressal of sexual harassment at work place and also has constituted an Internal Committee. No cases of sexual harassment have been reported during the year under review.

21. AUDITORS:

B.K. Khare & Co., Statutory Auditors of the Company are due to retire at the ensuing 64th Annual General Meeting and are eligible for reappointment. Members are requested to consider reappointing them and to authorise the Board of Directors to fix their remuneration.

22. COST AUDITOR:

The Board of Directors, in pursuance of an order issued under Section 148 of the Companies Act, 2013, issued by the Central Government, have appointed Parkhi Limaye & Co., Cost Accountants, Pune as Cost Auditors to audit the Pigment Products and Insecticides Products cost records maintained by the Company for the year under review.

23. SECRETARIAL AUDITOR:

The Board of Directors had appointed Mr. Rajesh Karunakaran, Practicing Company Secretary, to conduct Secretarial Audit for the year under review.

The Secretarial Audit Report issued by Mr. Rajesh Karunakaran, Practicing Company Secretary for the year ended 31st March, 2015 as required under Section 204 of the Companies Act, 2013 and Rules thereunder appears as **Annexure VIII** to the Directors' Report. The Secretarial Audit Report for the year under review does not contain any qualification, reservation or adverse remark.

24. ENVIRONMENT, HEALTH, SAFETY (EHS) AND POLLUTION:

Environment, Health and Safety continues to be a major focus area for our Company in all its operations across the organization. As in earlier years, the Company maintains "Zero lost time accident at the workplace" as its long term strategic goal. There was no reportable accident during the year across the organization. There was also no occupational health illness cases or major emergencies across the Organization. This has been achieved through highest commitment from the top management, supported by all levels of workforce across the Organization. Behaviour Based Safety, Safety training, Process Safety Management, Hazard Identification and Rectification Near miss identification & analysis and Contractor Safety were the key focus areas. During the year in all the sites model "EHS" systems and practices were implemented by instilling various global safety practices including HAZOP, Risk Assessment, Layer of Protection Analysis (LOPA), Process Safety Management, Visual management, pre-start-up reviews and rigorous training to employees and contract workers. To showcase our good work to all our internal as well as external stake holders we have started "EHS Magazine" and published first Edition of our quarterly Magazine this year with a strong belief that facing the challenges together yield better and sustainable results.

During the year, the Company continued to focus on Environment management by further strengthening the effluent treatment facility at Roha and Mahad. The Company is in the process of exploring few more technologies in effluent treatment to further strengthen the Pollution abatement Plan.

Utility management and energy conservation initiatives have been given renewed focus in all manufacturing units. This has helped in improving the "Greening Index" of the Company.

All units of our Company are certified for OHSAS-18001 and ISO-14001, and awarded rating of five star from British Safety Council. Standards are regularly reviewed at various levels and systems aligned with the Company's Process Management. As a strategic long term goal we have planned to implement "Responsible Care initiatives" and preparing for certification audits in year 2015-16.

Product stewardship, transportation and warehouse safety continued to be strengthened by providing resources, standardization to match benchmark practices, training to drivers and warehouse workers for safe transportation, storage and loading / unloading and emergency plan for road accidents. As part of the same, Company has become member of NICER GLOBE a ICC initiative in coordination with major chemical industries.

The Company's efforts and performance in the area of "EHS" have been recognized across the manufacturing units, through receipt of several awards. These awards include :

- National Safety Council - Maharashtra Chapter Safety Award for Roha unit.
- DMAI Award for Excellent Performance in the field of Pollution Control by a Large Scale Unit.
- DMAI Second for Excellent Performance in the field of Safety & Hazards Control by a Large Scale Unit.
- "Certificate of Appreciation" from National Safety Council in Nation Safety Award in manufacturing sector: "Group B".



National Safety Council Award

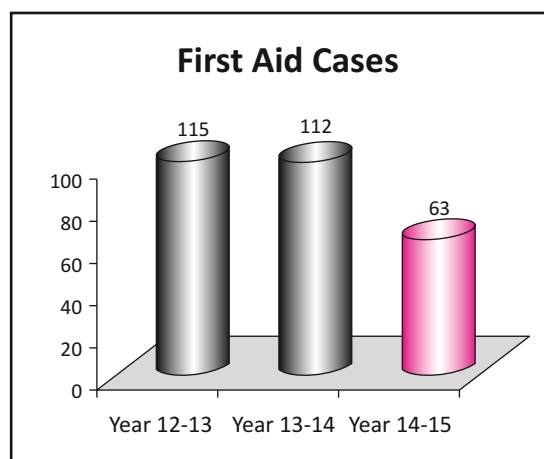
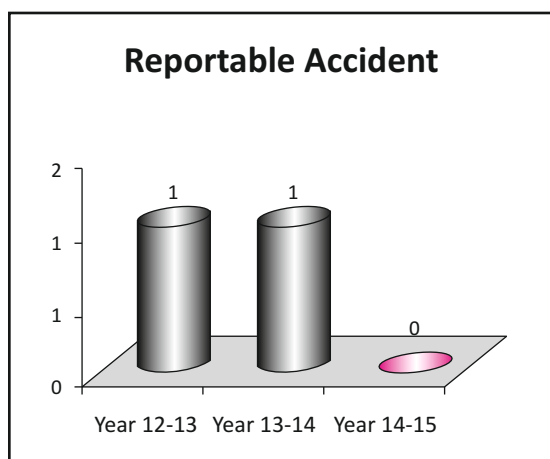


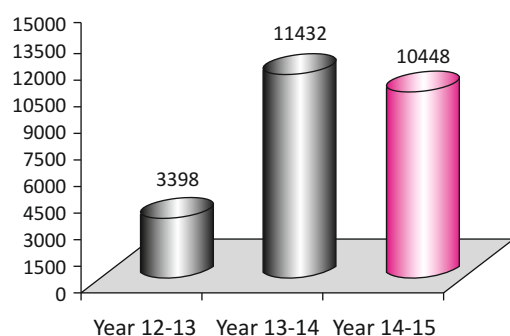
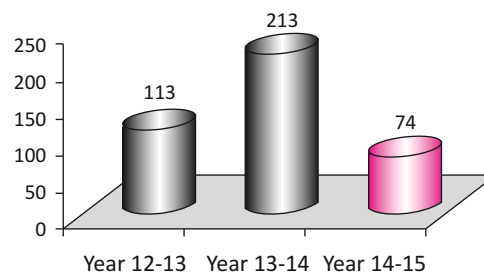
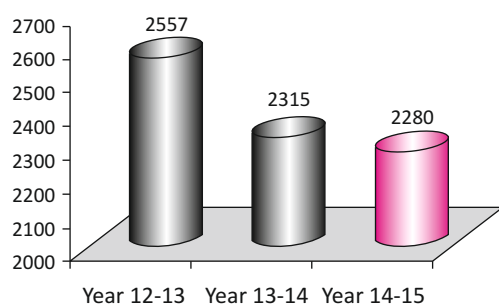
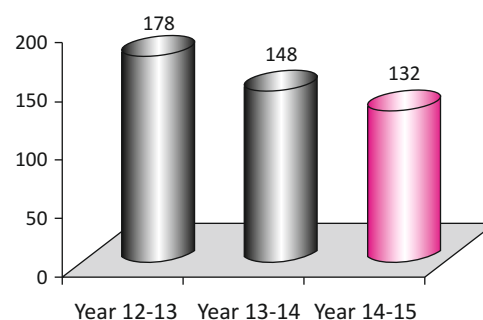
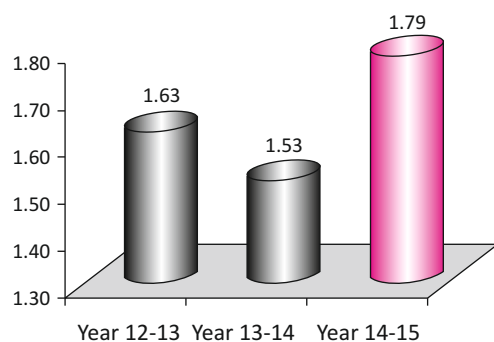
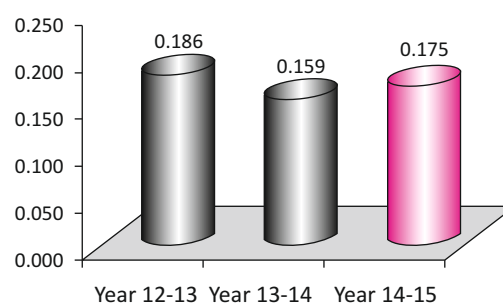
DMAI First Award for Excellent Performance
– Safety & Hazards



DMAI First Award for Excellent Performance
in Pollution

Perf at glance



Safety Training Man Hrs.**Near Miss Reported****Electricity KWH/MT****Water M3/MT****Coal MT/MT****Haz. Waste Disposal MT/MT**

25. RESEARCH AND DEVELOPMENT :

The Company recognizes the need to have well equipped R & D Facilities to meet customer requirements and developing cutting edge products. Members are aware that the Company has spruced up its R & D facilities at Ambadvet (Sutarwadi), Pune and Roha, Dist. Raigad. The Company has spent approx. Rs. 177 million during the year under report on research and development .The Ministry of Science and Technology, New Delhi, on behalf of Government of India vide letter dated 2nd April, 2012 has recognized our in house R & D facilities for a period of 4 years i.e. upto 31st March, 2016.

26. DISCLOSURES:**Annual Accounts of Subsidiary Companies:**

The Annual Accounts of the Subsidiary Companies for the year ended 31st March, 2015 will be made available to any shareholder of the Company on request and will also be available for inspection at the Registered Office of the Company during working hours till the date of the Annual General Meeting. The Annual Accounts of the aforesaid subsidiary companies and the related information will also be made available to the investors seeking such information at any point of time. The salient features of Financial Statements of Subsidiary Companies is given in **Annexure VII** of this report.

The Company as of now does not have a material subsidiary . In conformity with the provisions of Clause 49 of the Listing Agreement, the Board has formulated a policy for determining "material subsidiaries". Members are requested to refer to the website of the Company www.sudarshan.com for more details.

Consolidated Financial Statements:

In accordance with the requirements of Accounting Standard (AS) 21, the Consolidated Financial Statements of the Company and its subsidiaries is provided separately and forms part of the Annual Report .

Vigil Mechanism / Whistle Blower Policy:

Pursuant to the provisions of Section 177 (9) and (10) of the Companies Act, 2013, a vigil mechanism for directors and employees to report genuine concerns has been established. The policy on vigil mechanism and whistle blower policy can be accessed from the Company's website www.sudarshan.com

Annual Return:

The extract of the Annual Return of the Company in Form No. MGT - 9 as on 31st March, 2015 as prescribed under Companies (Management & Administration) Rules, 2014 is given in **Annexure V** to this report.

Meetings of the Board:

During the Financial Year 2014-15, five Board Meetings were held, the details of which are covered under the Corporate Governance Report .

Particulars of loans, guarantees or investments under Section 186:

The particulars of loans advanced, guarantees given or investments made under Section 186 form part of the notes to Financial Statements provided in the Annual Report. All such Loans, guarantees or investments made during the Financial Year 2014-15 were in the ordinary course of business and comply with arm's length principle.

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

Information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014 is attached to this Report.

Particulars of Employees and Related Disclosures:

The requisite information pursuant to Section 197(12) and Rule 5(2)(i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with regard to the details of employees drawing remuneration of Rs. 0.5 million per month or Rs. 6.0 million per annum is attached as **Annexure II** to this report.

Significant and Material Orders passed by the Regulators or Courts:

There are no significant material orders passed by the regulators or courts which would impact the going concern status of the Company and its future operations.

27. RECOGNITION:

The Board of Directors is pleased to announce that the Company has received the following awards during the year under review :

1. Dyestuffs Manufacturers' Association of India (DMAI) award for the Financial Year 2013- 2014 for -
 1. Excellent performance in pollution control for large Scale Unit
 2. Excellent performance in Safety & Hazards control (Second Award for large scale unit)
 3. Excellent performance in exports of Pigments (Award for large scale Unit)

These awards signify Company's commitment towards Environment, Health, Safety and significant contribution in Exports.

2. WORLD HRD Congress for –
 1. "Organisations with Innovative HR Practices" for spiritually fulfilling life @Sudarshan.
 2. "Best Leadership Development Programme for Middle management" for initiatives with regard to Wholesome Leadership Development Program.

28. OUTLOOK FOR THE FUTURE:

The Financial Year 2015-16 is expected to be another challenging year. Indications are that the global economy will grow as compared to the previous Year. With the changed political scenario and promising signs of revival in demand and growth, the Indian Economy is expected to do better. The Company's overseas subsidiaries in Netherlands and North America are fully geared up and will play a major role in achieving quantum growth in Sales and Profitability.

The Company aims to closely associate with its Customers and increase operational and technical excellence, while pruning costs. Research and Development will also play a bigger role in improving the competitiveness through innovations.

Agro Chemicals Division is also expected to do well. However, much depends on the monsoon which has played truant in the past.

Barring any unforeseen circumstances, the current year's prospects look favourable.

29. APPRECIATION:

Your Directors place on record their gratitude to Bank of Maharashtra, State Bank of India, Bank of Baroda, ICICI Bank Limited, HDFC Bank Limited, HSBC Limited and Export Import Bank of India for their co-operation and assistance. Your Directors also place on record their appreciation of the services rendered by BMGI and Pragati Leadership. The Board is also grateful to the Members, Customers, Suppliers, Business Associates and Employees of the Company for their continued co-operation and support.

For and on behalf of the Board of Directors
For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

Pune : 27th May, 2015

K.L.RATHI
CHAIRMAN

ANNEXURES TO DIRECTORS REPORT - 2014-15

ANNEXURE I

REPORT OF THE BOARD OF DIRECTORS UNDER COMPANIES (ACCOUNTS) RULES, 2014.

1. (a) Report on the performance and financial position of subsidiaries of the Company viz.

Particulars	Sudarshan Europe B.V. Year ended 31 st March, 2015 (Rupees in million)	Sudarshan North America, Inc. Year ended 31 st March, 2015 (Rupees in million)	Prescient Color Limited Year ended 31 st March, 2015 (Rupees in million)	RIECO Industries Limited Period 10 th February, 2015 to 31 st March, 2015 (Rupees in million)
Total Revenue	1,532.42	497.01	662.45	285.74
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	47.04	(23.77)	79.53	73.58
Less : Interest	-	-	-	-
Less : Provision for Taxation	12.46	2.90	23.39	7.36
Less : Depreciation	-	-	-	-
Profit after Tax	0.10	0.22	18.14	0.69
	34.48	(26.89)	38.00	65.53

(b) Conservation of energy-

(i) Steps taken or impact on conservation of energy.

- Furnace oil fired boiler replaced with coal fired boiler at Mahad. New Boiler is having thermal efficiency of 84% due to new technology i.e AFBC. Total investment = Rs. 150 Lacs, saving = Rs. 120 Lacs per annum.
- Boiler efficiency at Roha improved by the installation of Oxygen analyser, VFDs, coal measurement system. Also we have improved areas for coal storage by providing a shed. This has resulted in improving efficiency of boiler by 4% . Total investment is Rs. 120 Lacs. Total saving is Rs. 110 Lacs per year.

(ii) Steps taken by the company for utilizing alternate sources of energy

We are procuring electrical power from open access through thermal power plant. Total agreement with provider is of 4.5 MWH. Total saving is Rs. 250 Lacs per year.

(iii) The capital investment on energy conservation equipments

Installation of LED lights, high efficient motors, transformers, pumps & air compressors at Roha & Mahad plant. Total investment is Rs. 50 Lacs. Saving is Rs. 30 Lacs per year.

(c) Technology absorption –

- efforts made towards technology absorption - NIL
- benefits derived like product improvement, cost reduction, product development or import substitution - NIL
- in case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) - NIL
- details of technology imported - NIL
- year of import - NIL
- whether technology has been fully absorbed - NIL
- if not fully absorbed, areas where absorption has not taken place, and the reasons thereof - NIL
- the expenditure incurred on Research and Development – Rs.177 Million.

(d) Foreign exchange earnings and Outgo-

- Total Foreign Exchange Earned : Rs. 4,616.86 million
- Total Foreign Exchange Used : Rs. 3,051.86 million

2. Change in the nature of business, if any.

Even though insignificant, the Company has also diversified into manufacture of Industrial Mixers on account of the purchase of the Industrial Mixers business owned by Rathi Vessels and Systems Pvt. Ltd.

3. Details of directors or key managerial personnel who were appointed or have resigned during the year

Mr. Naresh T. Raisinghani was appointed as Non Independent Director w.e.f. 13th February, 2015. Mrs. Shubhalakshmi A. Panse was appointed as an Independent Director w.e.f. 27th May, 2015. Mr. B.S.Metha Director resigned on 9th August, 2014 post conclusion of the 63rd AGM.

During the year, Mr. V.V. Thakur Dy. General Manager - Finance was appointed as Acting CFO.

4. The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year.

During the year, effective from 10th February 2015, RIECO Industries Limited has become an Wholly Owned Subsidiary of the Company. Further, Sudarshan CSR Foundation became a subsidiary of the Company w.e.f. 3rd March, 2015.

5. Details relating to deposits, covered under Chapter V of the Act :

- (i) accepted during the year- Rs. 40.55 Crores
- (ii) remained unpaid or unclaimed as at the end of the year- Nil
- (iii) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved –Nil
- (iv) at the beginning of the year -Nil
- (v) maximum during the year -Nil
- (vi) at the end of the year -Nil

6. Details of deposits which are not in compliance with the requirements of Chapter V of the Act.

None

7. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.

The Company has proper and adequate internal control systems commensurate with its nature of business and meets the following objectives:

- a. providing assurance regarding the effectiveness and efficiency of operations;
- b. efficient use and safeguarding of resources;
- c. compliance with policies, procedures and applicable laws and regulations; and transactions being accurately recorded and promptly reported. The Company also has a budgetary control system to monitor expenditures against approved budgets on a ongoing basis. The Audit Committee of the Board of Directors regularly reviews the adequacy of internal control system.

Information pursuant to Section 197(12) of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (i) the ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sr. No.	Particulars	Remuneration for the year ended 31 st March 2015 (Rs.)	Ratio of Remuneration to median remuneration of employees
1.	Mr. P.R. Rathi, Vice Chairman and Managing Director	24,454,057	24,454,057 : 532,212 = 45.95 : 1
2.	Mr. R.B. Rathi, Dy. Managing Director	24,442,836	24,442,836 : 532,212 = 45.93 : 1

- (ii) **the percentage increase in remuneration of each director, CFO, CEO, CS or Manager, if any, in the financial year;**

During the Financial year 2014-15 Mr. P.R. Rathi, Vice Chairman and Managing Director and Mr. R.B. Rathi, Dy. Managing Director, Working Directors were accorded an increase of 8% in the gross remuneration.

Mr. V.V. Thakur, Dy. General Manager Finance (Acting CFO) and Mr. P.S. Raghavan, Company Secretary were accorded an increase of 18% and 12% respectively in the gross remuneration.

- (iii) **the percentage increase in the median remuneration of employees in the Financial Year;**

FY13-14 – median salary – 448,320

FY 14-15 – median salary – 532,212

% rise in median remuneration = 18.71%

- (iv) **the number of permanent employees on the rolls of company;**

There were 863 permanent employees on the rolls of the Company.

- (v) **the explanation on the relationship between average increase in remuneration and company performance;**

Increase in remuneration is linked to the company performance through performance appraisal system. The organizational performance which gives rise to the organizational rating plays a key role in 'normalization' of ratings across the organization. This 'normalized' rating is used to determine the increase in remuneration to the employees.

- (vi) **comparison of the remuneration of the KMP (Key Management Personnel) against the performance of the company;**

As detailed above, during the Financial Year 2014-15 Mr. P.R. Rathi, Vice Chairman and Managing Director and Mr. R.B. Rathi, Dy. Managing Director, Working Directors were accorded an increase of 8% in the gross remuneration. Mr. V.V. Thakur, Dy. General Manager Finance (Acting CFO) and Mr. P.S. Raghavan, Company Secretary were accorded an increase of 18% and 12% respectively in the gross remuneration. This is in line with the remuneration policy of the Company which is in turn based on the performance of the Company.

- (vii) **variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;**

The Company has not come out with any follow on Public issue. However the Net worth of the Company as on 31st March, 2014 and the Net Worth of the Company as on 31st March, 2015 stood at Rs. 3,033,621,401 and Rs. 2,802,591,768 respectively.

- (viii) **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;**

During the Financial year 2014-15 Mr. P.R. Rathi, Vice Chairman and Managing Director and Mr. R.B. Rathi, Dy. Managing Director, Working Directors were accorded an increase of 8% in the gross remuneration. Likewise, other employees were given increments in accordance with the remuneration policy.

The average percentile increase made in the salaries of employees other than the managerial personnel during the Financial Year 2014-15 aggregates to 12%.

- (ix) **the key parameters for any variable component of remuneration availed by the directors;**

Performance Management System derives an organizational rating on a scale of (1 -5) where 1 is below standard and 5 is outstanding. This organizational rating in turn determines the variable pay for the directors.

- (x) **the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and**

Not Applicable

(xi) **affirmation that the remuneration is as per the remuneration policy of the company.**

Yes

For and on behalf of the Board of Directors
For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

K.L.RATHI
CHAIRMAN

Pune : 27th May, 2015

ANNEXURE II

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF RULE 5(2)(i) OF COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2015.

Sr. No.	Name & Age (Years)	Designation	Total Remuneration Rs.	Qualification and Experience (Years)	Date of Commencement of Service	Last employment held before joining the Company
1	Mr P R Rathi (63)	Vice Chairman and Managing Director	24,454,057	M.S. (M.I.T.) M.B.A. (Columbia) (38)	01/04/1976	-
2	Mr R B Rathi (47)	Dy. Managing Director	24,442,836	B.E.Mech. Engg. MIT, Pune B.S.Chem. Engg.- Ohio University, USA M.B.A. – Pittsburgh University – USA (22)	01/10/1992	-
3	Mr.A.Vij (45)	Chief Operating Officer – Pigment Division	8,720,452	B.E.Chem. (24)	08/12/2005	Jubilant Organosys Limited, Gajraula (U.P.)

NOTES:

- The gross remuneration as above, includes Salary, PLVA, Commission, Company's contribution to Provident Fund and Superannuation Scheme, Leave Travel Allowance, Medical, House Rent Allowance etc. and value of perquisites in respect of car facility, which is calculated in accordance with the provisions of the Income tax Act, 1961, and the rules made there under.
- The conditions of employment are contractual.
- Other terms and conditions are as per the rules of the Company.
- In terms of Rule 5(2)(iii) of the of Companies (Appointment and Remuneration) Rules, 2014, it is clarified that during the Financial Year under review, no employee of the Company was in receipt of remuneration in that year, which in the aggregate or as the case may be at a rate which in the aggregate is in excess of that drawn by the Working Directors and holds himself / herself along with their spouse and dependent children not less than 2% of the equity shares of the Company.

For and on behalf of the Board of Directors
For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

K.L.RATHI
CHAIRMAN

Pune : 27th May, 2015

ANNEXURE III

REMUNERATION POLICY

1. Purpose of this Policy:

Sudarshan Chemical Industries Limited ("SUDARSHAN" or the "Company") has adopted this Policy on appointment and remuneration of the Directors, Key Managerial Personnel (KMP) and Senior Management (the "Policy") as required by the provisions of Section 178 of the Companies Act, 2013 (the "Act") and the provisions of Clause 49 of the Listing Agreement.

The purpose of this Policy is to establish and govern the procedure applicable:

- a) To evaluate the performance of the members of the Board.
- b) To ensure remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- c) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The Committee should ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

2. Definitions:

Independent Director means a director referred to in Section 149(6) of the Act and the Clause 49 of the Listing Agreement as amended from time to time.

Key Managerial Personnel (the "KMP") shall mean "Key Managerial Personnel" as defined in Section 2(51) of the Act.

Nomination and Remuneration Committee shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and Clause 49.

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.

"Senior Management" means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of Management one level below the Executive Directors, including all Functional Heads.

Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed there under or in the Clause 49 or the Accounting Standards shall have the meanings assigned to them in these regulations.

3. Composition of the Committee:

The composition of the Committee is / shall be in compliance with the Act, Rules made there under and the Clause 49, as amended from time to time.

4. Role of the Committee:

The Committee shall:

- a) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- b) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy;
- c) Lay down the evaluation criteria for performance evaluation of Independent Director and the Board;
- d) Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;
- e) Devise a Policy on Board diversity.

5. Appointment and removal of Director, KMP and Senior Management:

5.1 Appointment criteria and qualification:

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of Diversity Policy of the Board and recommend to the Board his / her appointment. For the appointment of KMP (other than Managing / Wholetime Director) or Senior Management, a person should possess adequate qualification, expertise and experience for the position he / she is considered for the appointment. Further, for administrative convenience, the appointment of KMP (other than Managing / Wholetime Director) or Senior Management, the Managing Director is authorised to identify and appoint a suitable person for such position. However, if need be, the Managing Director may consult the Committee / Board for further directions / guidance.

5.2 Term:

The Term of the Directors including Managing / Wholetime Director / Independent Director shall be governed as per the provisions of the Act and Rules made there under and the Clause 49, as amended from time to time. Whereas the term of the KMP (other than the Managing / Wholetime Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

5.3 Evaluation:

The Committee shall carry out evaluation of performance of every Director. The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process. Framework for performance evaluation of Independent Directors and the Board is as per **Annexure A** to this Policy.

5.4 Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations there under and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management.

6. Remuneration of Managing / Whole-time Director, KMP and Senior Management:

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Wholetime Director will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made there under. Further, the Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing / Wholetime Director) and Senior Management, and which shall be decided by the Managing Director based on the standard market practice and prevailing HR policies of the Company.

7. Remuneration to Non-executive / Independent Director:

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made there under for the time being in force or as may be decided by the Committee / Board / shareholders. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the Clause 49, as amended from time to time.

For and on behalf of the Board of Directors
For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

K.L.RATHI
CHAIRMAN

Pune : 27th May, 2015

Annexure A to Remuneration Policy

Framework for performance evaluation of Independent Directors and the Board

As per the provisions of Clause 49 , the Nomination and Remuneration Committee (the "Committee") shall lay down the evaluation criteria for performance evaluation of Independent Directors and the Board. Further, in terms of Clause 49, the Board is required to monitor and review Board Evaluation Framework. This Framework shall contain the details of Board's self-evaluation framework (including all Committees of the Board and individual directors).

The Board is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. To that end, the Committee shall establish the following processes for evaluation of performance of Independent Director and the Board:

1. Once a year, the Board will conduct a self-evaluation. It is the responsibility of the Chairman of the Board, supported by the Company Secretary of the Company, to organise the evaluation process and act on its outcome;
2. The Committee shall formulate evaluation criteria for the Board and the Independent Directors which shall be broadly based on:
 - 2.1 Knowledge to perform the role;
 - 2.2 Time and level of participation;
 - 2.3 Performance of duties and level of oversight; and
 - 2.4 Professional conduct and independence.
3. The Board / Independent Directors shall be asked to complete the evaluation forms and submit the same to the Chairman.
4. In terms of Section 134 of the Act, the Directors' Report should include a statement indicating a manner in which the Board has done formal annual evaluation of its own performance, performance of Committees and individual Directors of the Company.

For and on behalf of the Board of Directors
For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

K.L.RATHI
CHAIRMAN

Pune : 27th May, 2015

ANNEXURE IV

CORPORATE SUSTAINABILITY POLICY

Effective date of Policy

This policy is effective from 1st April, 2014

The Board of Directors of Sudarshan Chemical Industries Ltd., after taking into account the recommendations of the CSR Committee have approved this CSR Policy for the company and as required under Section 135(4) of the Companies Act, 2013 and the same has also been displayed on the Company's website.

Background of Corporate Sustainability at Sudarshan

Reaching out to the community has always been a part of Sudarshan's philosophy. Sudarshan's Holistic Aspiration (SUDHA) was initiated in 2011 to give a structure to the existing projects and to start new projects, to involve, engage and empower women in the community.

Grand Vision of Sudarshan

The grand vision of Sudarshan is 'Growing Together' in a manner that is Spiritually fulfilling Socially Just and Environmentally sustainable.

Vision of SUDHA

Wholesome sustainable growth of women and children in communities around Sudarshan's plants.

Mission of SUDHA

Reach out to communities by engaging in projects pertaining to Livelihood, Health, Education, Environment and Community Development.

Objective

- SERVING communities for a better future
- CREATION of belongingness through sustainable inclusive growth
- EMPOWERING women for leadership
- CREATING groups to lead projects ahead

Eligibility

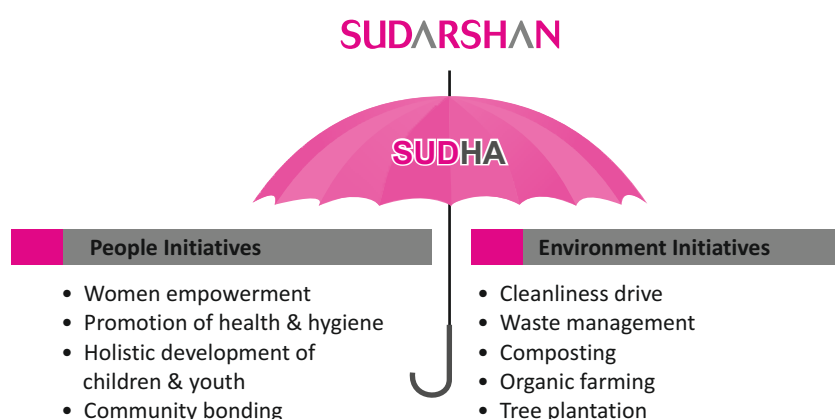
This policy is applicable to all the individuals and communities preferably within a radius of 25kms around our plants located in Pune and Raigad District in State of Maharashtra

Definitions for reference through policy

Corporate Social Responsibility to Corporate Sustainability - We at Sudarshan call Corporate Social Responsibility as Corporate Social Sustainability because we believe that any project initiated is not only a responsibility but it has to be a sustainable initiative.

Framework of SUDHA

All projects are under the umbrella of SUDHA and are centred under the People and Environment initiatives as mentioned below



Focus areas for CS activities:

The following broad categories for CS activities have been in general planned for next 3 to 5 years:

S.No.	Broad Categories	Activities	Brief description of activities
1	Livelihood (As per Schedule VII Employment enhancing vocation skills and livelihood enhancement projects)	Paper Bag project	This project resonates with Sudarshan's grand vision of being environmentally friendly and socially just. This generates livelihood opportunities for the women and also helps enhance recycling of used materials. Our Newspaper Bag project is an ongoing project for last 3 years and has been making a difference to the quality of life of the village ladies.
2	Livelihood Enhancement skill (As per Schedule VII Employment Enhancing vocational skill)	Stitching	To professionally equip the ladies with adequate skills to earn a sustainable income through Stitching Projects .
		Paper craft	To professionally equip the ladies with adequate skills to earn a sustainable income through Paper Craft.
3	Health	General Health of Village Ladies	Sudarshan believes that every individual must be physically and spiritually fit and this belief is driven right from our grand vision. Our aim is to make the village women aware on the importance of health, hygiene, nutrition and societal balance in order to bring about better ways of living.
4	Education (As per Schedule VII Promotion of Education)	Education projects for the benefit for society	Sudarshan believes that children are the future and they need to be groomed in the right direction. Projects are aimed towards scholastic education of children.
5	Environment (As per Schedule VII Ensuring Environment Sustainability)	Waste Management	Sudarshan has always believed in sustaining and protecting our environment. All our Projects such as waste management, vermi-composting organic farming etc are carried out to educate the communities and reach our grand vision of growing together in an environmentally sustainable manner. We have partnered with an NGO, called INORA for these initiatives.
		Organic Farming and Vermi Compost	
		Plastic Free Roha	Educating people to not use plastic through awareness drives and promoting use of paper bags or cloth bags which are more environment friendly.
6	Community Development	Community bonding through festivals and get-togethers	Arrange get together and celebrations of major festivals like Ganesh Chaturthi, Diwali, Navratri etc. for community bonding.

S.No.	Broad Categories	Activities	Brief description of activities
7	Swach Bharat	Nirmalya Kalash	Donate Nirmalya Kalash to INORA and help in waste management near temples in urban areas, contributing to the National level initiative of Swach Bharat Abhyan.
		Cleanliness Drives	Arrange regular Cleanliness Drives along with volunteers and employees at public areas around our facilities, contributing to the National level initiative of Swach Bharat Abhyan.
		Tie up with Pune Swach	Partner with Pune Swach and support them to keep the city clean.
		Swach Vidyalay – Girls toilets in schools	Build toilets for girls in schools near our site locations, under Swach Vidyalay initiative of the Government.

However while selecting Projects due care will be exercised to undertake projects which fall under any one of the activities listed under Schedule VII read with Section 135 (4) of the Companies Act, 2013.

While harmonising the objectives and the projects undertaken pursuant thereto due regard shall also be given to their judicial interpretation as laid down by Judicial forums. This shall be one of the guiding factors.

Composition of CS Committee of the Board

Chairperson:	Mrs. Rati F. Forbes
Member:	Mr. P. R. Rathi
Member:	Mr. R. B. Rathi

Role and Responsibilities of the CS Committee

The role of the CS Committee is to institute a transparent monitoring mechanism for implementation of the CS projects or programs or activities undertaken by the company. Some of their responsibilities are as below:

- Formulate and recommend to the Board for approval, a CS policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to Section 135 of the Companies Act, 2013.
- Recommend the amount of eligible expenditure to be incurred on the activities referred in the point above for approval by the Board.
- Monitoring the implementation and impact, as also the policy from time to time complying with the legal requirement.
- The CS Committee shall ensure that the surplus (if any) arising out of CS activities shall not form part of the business profit of the Company.
- Ensure that the activities that have been included in the CS policy are broadly undertaken by the Company.
- Reporting to the Board from time to time coinciding with scheduled Board meetings about activities pursued and amount spent.
- Any other activity as may be mandated by the Board

The Board in turn has some responsibilities towards CS as follows:

- After taking into account the recommendations made by the CS committee, the board will approve the CS policy and disclose the content of the same in its Annual report and also place the policy on the Company's website where it is visible to everyone
- To review the activities that have been included in the CS policy are undertaken by the Company
- Upon recommendation of the CS Committee to approve spending of such amounts as may be deemed expedient on one or more Projects outlined above.

- To ensure that the Company spends, in every Financial Year, at least 2% of the average net profit of the Company made during the 3 immediately preceding Financial Years, in pursuance of its CS Policy.
- To give reasons if the allocated amount is not spent in the respective Financial Year.
- To carry forward any unspent CS funds to the CS corpus.

Partnerships

To complete the activities / projects planned under CS in the best way possible and to achieve the CS goals of Sudarshan, Company may partner with different NGO, Trust, Society or other organisation with an established track record of at least three years.

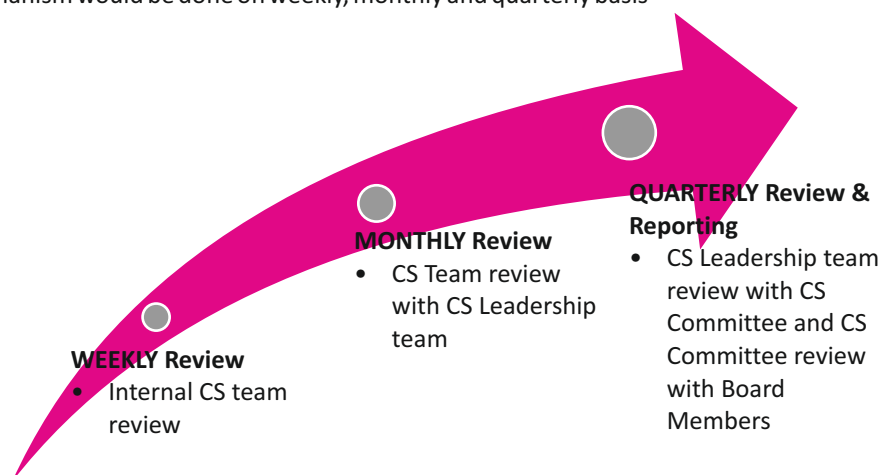
Monitoring process

The proposed CS activities have been recommended by the CS Committee and accepted by the Board of Directors of the Company. Apart from the above mentioned process, all the projects recommended above would be monitored by the CS Committee from the perspective of achieving time frames and assessing social impact. The Management of the Company would also ensure accountability for the funds invested in the NGO's project through continuous monitoring of projects undertaken.

The CS committee shall work closely with the in-house CS team and convene periodic meetings to monitor both the process and progress. The CS committee will in turn keep the Board informed.

Review Mechanism

The review mechanism would be done on weekly, monthly and quarterly basis



Reporting

The Company's Annual Report pertaining to Financial Year 2014-15 would include the annual report on CSR as per the particulars specified under CSR rules.

The report shall include a responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

The Annual Report on CSR Activities shall be signed by the CEO or the MD and also the Chairman of the CSR Committee.

Amendments to the Policy

Any amendment of any provision of this policy must be approved in writing by the Company's Board as per the recommendation of the CS Committee and promptly disclosed on the Company's website and in all applicable laws and regulations, together with details about the nature of amendment.

For and on behalf of the Board of Directors
For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

K.L.RATHI
CHAIRMAN

Pune : 27th May, 2015

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2014-15

1.	Average net profit of the Company for the last three Financial Years	Rs. 438,442,032
2.	Prescribed CSR expenditure (two percent of the amount mentioned in item 1 above)	Rs. 8,768,841
3.	Details of CSR amount spent during the Financial Year:	Rs. 5,266,843
4.	Amount unspent	Rs. 3,501,998
	Manner in which amount spent during the Financial Year	Details given below

Sr. No.	CSR Project or Activity identified	Sector in which project is covered (Clause No. of Schedule VII to the Companies Act, 2013 as amended)	Project of Program (1) Local Area or Other (2) Specify the State & District where projects or programs were undertaken	Amount of Outlay (Budget) Project or Program wise (Rs.)	Amount spent on the projects or Programs Sub Heads: (1) Direct Expenditure on Projects or Programs (2) Overheads (Rs.)	Cumulative Expenditure upto the reporting period i.e. FY 2014-15 (Rs.)	Amount spent Direct or through Implementing Agency (Sudarshan CSR Foundation)
1.	Paper bag project	Cl. (ii) livelihood enhancement project	Raigad-Roha	1,500,000	(1) 863,746 (2) 25,954	889,700	Direct
2	Stitching Project, Paper Craft Exhibitions	Cl. (ii) Employment enhancing vocational skills	Raigad-Roha, Ambadvet (Sutarwadi)	60,000	(1) 56,900 (2) 4,000	60,900	Direct
3.	Health Outreach	Cl.(i) promoting healthcare including preventive healthcare	Raigad-Roha, Ambadvet (Sutarwadi)	200,000	(1) 196,910 (2) 5,225	202,135	Direct
4.	Scholastic Development of children & youth	Cl. (ii) promoting education	Raigad-Roha	3,000,000	(1) 1,040,500 (2) Nil	1,040,500	Implementing Agency- Seva Sahayog Foundation

Sr. No.	CSR Project or Activity identified	Sector in which project is covered (Clause No. of Schedule VII to the Companies Act, 2013 as amended)	Project of Program (1) Local Area or Other (2) Specify the State & District where projects or programs were undertaken	Amount of Outlay (Budget) Project or Program wise (Rs.)	Amount spent on the projects or Programs Sub Heads: (1) Direct Expenditure on Projects or Programs (2) Overheads (Rs.)	Cumulative Expenditure upto the reporting period i.e. FY 2014-15 (Rs.)	Amount spent Direct or through Implementing Agency (Sudarshan CSR Foundation)
5.	Promoting community bonding & Empower Women	Cl. (iii) empowering women	Raigad-Roha, Ambadvet (Sutarwadi)	100,000	(1) 83,250 (2) 12,252	95,502	Direct
6.	Swachh Bharat Abhiyan	Cl.(iv) ensuring environmental sustainability	Raigad-Roha, Ambadvet (Sutarwadi)	1,900,000	(1) 1,121,600 (2) 740	1,122,340	Direct
7.	Solid Waste Management, Organic Farming & Plastic free Roha		Raigad-Roha, Ambadvet (Sutarwadi)	1,908,841	(1) 1,606,972 (2) 2,116	1,609,088	Directly and through Know How Foundation
8.	CSR Team Capacity Building	N.A.		100,000	(1) Nil (2) 246,678	246,678	
			Total-Direct Expenses		4,969,878		
			Total-Indirect Expenses		296,965		
			Grand total	8,768,841	5,266,843		
			Amount to be spent		3,501,998		

We hereby affirm that the implementation and monitoring of CSR Policy, as approved by the Board, is in compliance with the CSR Objectives and Policy of the Company.

Mrs. Rati F. Forbes
Chairperson
CSR Committee

Mr. P. R. Rathi
Vice Chairman and
Managing Director

ANNEXURE V

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on 31st March, 2015

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

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L24119PN1951PLC008409
ii	Registration Date	19 th February, 1951
iii	Name of the Company	SUDARSHAN CHEMICAL INDUSTRIES LIMITED
iv	Category / Sub-Category of the Company	Public Limited Company
v	Address of the Registered office and contact details	162 Wellesley Road, Pune - 411 001 Phone No. : 020 – 26226200
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited 202 Akshay Complex, Off. Dhole Patil Road, Pune - 411 001 Phone Nos. : 020 – 26160084, 26161629

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Pigment - Organic and Inorganic	3031	89%
2	Agro Chemicals	2421	11%

III. PARTICULARS OF HOLDING AND SUBSIDIARY COMPANIES

Sl. No.	Name And Address of The Company	CIN / GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	Prescient Color Limited	U24229PN2006PLC128651	Subsidiary	100%	2(87)(ii)
2	RIECO Industries Limited	U24118MH1975PLC018631	Subsidiary	100%	2(87)(ii)
3	Sudarshan Europe B.V., The Netherlands	N.A.	Subsidiary	100%	2(87)(ii)
4	Sudarshan North America, Inc., USA	N.A.	Step down Subsidiary	100%	2(87)(ii)
5	Sudarshan CSR Foundation	U74900PN2015NPL154211	Subsidiary	100%	2(87)(ii)

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	34,36,416	0	34,36,416	49.64	3,43,64,160	0	3,43,64,160	49.64	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	2,25,210	0	2,25,210	3.25	22,52,100	0	22,52,100	3.25	0
e) Banks/FI's	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):	36,61,626	0	36,61,626	52.89	3,66,16,260	0	3,66,16,260	52.89	0
2. Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Others-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI's	0	0	0	0	0	0	0	0	0
e) Others	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	36,61,626	0	36,61,626	52.89	3,66,16,260	0	3,66,16,260	52.89	0
B. Public									
1. Institutions:									
a) Mutual Funds	0	725	725	0.01	0	7,250	7,250	0.01	0
b) Banks / FI's	25	745	770	0.01	48,268	5,950	54,218	0.08	0.07
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	33,613	500	34,113	0.49	3,36,630	4,500	3,41,130	0.49	0
g) FI's	0	550	550	0.01	34,63,230	5,500	34,68,730	5.01	5
h) Foreign VC Funds	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):	33,638	2,520	36,158	0.52	38,48,128	23,200	38,71,328	5.59	5.07
2. Non-Institutions:									
a) Bodies Corp.									
i) Indian	44,486	9,848	54,334	0.79	12,00,329	96,020	12,96,349	1.87	1.09
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals:									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lac	7,13,441	5,20,888	12,34,329	17.83	92,20,925	33,84,210	1,26,05,135	18.21	0.38
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lac	2,16,185	3,75,883	5,92,068	8.56	65,40,057	15,11,490	80,51,547	11.63	3.08
c) Others(Specify):									
i) Clearing Member	2,240	0	2,240	0.03	1,72,734	0	1,72,734	0.25	0.22
ii) NRI (Repat)	2,825	184	3,009	0.04	94,934	1,840	96,774	0.14	1
iii) NRI (Non-Repat)	2,685	1,257	3,942	0.06	44,223	9,570	53,793	0.08	0.02
iv) Foreign Companies	5,58,082	0	5,58,082	8.06	55,80,820	0	55,80,820	8.06	0
v) PAC	7,75,937	1,000	7,76,937	11.22	8,82,510	0	8,82,510	1.27	-9.95
Sub-total (B)(2):	23,15,881	9,09,060	32,24,941	46.59	2,37,36,532	50,03,130	2,87,39,662	41.51	-4.16
Total Public Shareholding (B)= (B)(1)+(B)(2)	23,49,519	9,11,580	32,61,099	47.11	2,75,84,660	50,26,330	3,26,10,990	47.1	0.91
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	60,11,145	9,11,580	69,22,725	100	6,42,00,920	50,26,330	6,92,27,250	100	1

(ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Mrs. Kusum R. Rathi	36,279	0.52	0	3,62,790	0.52	0	0
2	Mr. Pradeep R. Rathi	3,82,345	5.52	0	38,23,450	5.52	0	0
3	Mrs. Subhadra P. Rathi	1,31,368	1.90	0	13,13,680	1.90	0	0
4	Mr. Rahul P. Rathi	4,75,454	6.87	0	47,54,540	6.87	0	0
5	Mr. Balkrishna J. Rathi (HUF)	18,975	0.27	0	1,89,750	0.27	0	0
6	Mrs. Kusum B. Rathi	10,090	0.15	0	1,00,900	0.15	0	0
7	Mr. Ajoy B. Rathi	2,05,106	2.96	0	20,51,060	2.96	0	0
8	Mr. Ajoy B. Rathi (HUF)	1,03,000	1.49	0	10,30,000	1.49	0	0
9	Mr. Ajoy B. Rathi (As Trustee - Manan Rathi Trust)	82,790	1.20	0	8,27,900	1.20	0	0
10	Mrs. Nisha A. Rathi	71,937	1.04	0	7,19,370	1.04	0	0
11	Mr. Rajesh B. Rathi	3,28,414	4.74	0	32,84,140	4.74	0	0
12	Mr. Rajesh B. Rathi (HUF)	13,300	0.19	0	1,33,000	0.19	0	0
13	Mr. Rajesh B. Rathi (As Trustee- Sow Rachna Rathi Family Trust)	1,20,825	1.75	0	12,08,250	1.75	0	0
14	Mr. Rajesh B. Rathi (As Trustee - Shri Balkrishna Rathi Family Trust)	84,520	1.22	0	8,45,200	1.22	0	0
15	Mrs. Rachna R. Rathi	500	0.01	0	5,000	0.01	0	0
16	Balkrishna Rathi Finance Pvt. Ltd.	46,255	0.67	0	4,62,550	0.67	0	0
17	Mr. Narayandas J. Rathi	2,41,765	3.49	0	24,17,650	3.49	0	0
18	Mr. Anuj N. Rathi	3,82,762	5.53	0	38,27,620	5.53	0	0
19	Mr. Anuj N. Rathi (HUF)	56,777	0.82	0	5,67,770	0.82	0	0
20	Mrs. Archana A. Rathi	72,749	1.05	0	7,27,490	1.05	0	0
21	N J R Finance Pvt. Ltd.	1,09,063	1.58	0	10,90,630	1.58	0	0
22	Mr. Kishor Laxminarayan Rathi	1,07,430	1.55	0	10,74,300	1.55	0	0
23	Mrs. Aruna K. Rathi	2,92,435	4.22	0	29,24,350	4.22	0	0
24	Mr. Rohit K. Rathi	2,17,595	3.14	0	21,75,950	3.14	0	0
25	Laxminarayan Finance Pvt. Ltd.	69,892	1.01	0	6,98,920	1.01	0	0
	Total	36,61,626	52.89	0	3,66,16,260	52.89	0	0

Note : There is no change in the share holding percentage. The change in number of shares is due to stock split and issue of bonus shares in October 2014.

(iii) Change in Promoters' Shareholding:

Sl. 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	36,61,626	52.89	3,66,16,260	52.89
1	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer / bonus/sweat equity etc.	During October, 2014, Company had sub-divided its shares of Rs. 10 per share to Rs. 2 per share and also allotted bonus shares in ratio 1:1		0	0
	At the end of the year	3,66,16,260	52.89	3,66,16,260	52.89

Note : There is no change in the share holding percentage. The change in number of shares is due to stock split and issue of bonus shares in October 2014.

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

Sl. 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				
1	DIC corporation**	5,57,989	8.06	55,79,890	8.06
2	Government Pension Fund Global, Norges Bank (Central Bank of Norway)*	0	0	34,12,630	4.92
3	Quest Investment Advisors Private Limited	3,15,888	4.56	5,36,020	0.77
4	Ajay Sheth ***	1,26,552	1.83	0	0
5	Vijay Kishanlal Kedia	1,10,997	1.60	12,74,340	1.84
6	Vasant Ramchandra Rath	83,997	1.21	12,98,220	1.88
7	Vijaykumar Ramchandra Rath****	0	0	7,17,780	1.04
8	Anuradha Vasant Rath**	70,077	1.01	7,00,770	1.01
9	Kamlesh Chimanlal Galia ***	37,536	0.54	0	0
10	Navinchandra S. Shah*	0	0	4,00,000	0.58
11	Vijay Kishanlal Kedia (HUF) ***	37,400	0.54	0	0
12	Star Line Leasings Ltd ***	37,019	0.53	0	0
13	Mridula Vijaykumar Rath****	0	0	3,56,954	0.52
14	Life Insurance Corporation of India**	33,613	0.48	3,36,130	0.48

Notes :

* Indicates shares were acquired after the beginning of the year and has therefore been included in top ten.

** There is no change in the share holding percentage. The change in number of shares is due to stock split and issue of bonus shares in October 2014.

*** Ceased to be in top ten on account of transfer of shares during the year.

**** Indicates that the relevant shareholders were holding shares at the beginning of the year but were not forming part of top ten shareholders.

Details of shares purchased / sold during the year:

Sl. No.	Name of the share holder	Share holding at the beginning of the year (01/04/2014)		% of Increase / Decrease of share holding on account of transfer	Share holding at the end of the year (31/03/2015)	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
1	Quest Investment Advisors Private Limited	3,15,888	4.56	-3.79	5,36,020	0.77
2	Ajay Sheth	1,26,552	1.83	-1.46	2,59,435	0.37
3	Vijay Kishanlal Kedia	1,10,997	1.60	0.24	12,74,340	1.84
4	Vasant Ramchandra Rath	83,997	1.21	0.27	12,98,220	1.88
5	Vijay Kishanlal Kedia (HUF)	37,400	0.54	-0.54	0	0
6	Kamlesh Chimanlal Galia	37,536	0.54	-0.54	0	0
7	Star Line Leasing Ltd.	37,019	0.53	-0.53	0	0
8	Vijay Ramchandra Rath	26,935	0.39	0.65	7,17,780	1.04
9	Government Pension Fund Global, Norges Bank (Central Bank of Norway)	0	0	4.92	34,12,630	4.92
10	Navinchandra S Shah	0	0	0.58	4,00,000	0.58
11	Mridula Vijaykumar Rath	39,253	0.57	-0.05	3,56,954	0.52

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. 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				
1	Mr. K.L.Rathi	1,07,430	1.55	10,74,300	1.55
2	Mr. N.J.Rathi	2,41,765	3.49	24,17,650	3.49
3	Mr. P.R.Rathi	3,82,345	5.52	38,23,450	5.52
4	Mr. R.B.Rathi	3,28,414	4.74	32,84,140	4.74
5	Mr. D.N.Damania	93	0	930	0
6	Mr. S.Padmanabhan	0	0	0	0
7	Mr. S.N.Inamdar	0	0	0	0
8	Mr. S.K.Asher	0	0	0	0
9	Mr. N.T.Raisinghani	0	0	0	0
10	Mrs. R.F.Forbes	0	0	0	0
11	Mr. P.P.Chhabria	0	0	0	0
12	Mr. V.V.Thakur	0	0	0	0
13	Mr. P.S.Raghavan	1	0	20	0
	At the end of the year				
1	Mr. K.L.Rathi	10,74,300	1.55	10,74,300	1.55
2	Mr. N.J.Rathi	24,17,650	3.49	24,17,650	3.49
3	Mr. P.R.Rathi	38,23,450	5.52	38,23,450	5.52
4	Mr. R.B.Rathi	32,84,140	4.74	32,84,140	4.74
5	Mr. D.N.Damania	930	0	930	0
6	Mr. S.Padmanabhan	0	0	0	0
7	Mr. S.N.Inamdar	0	0	0	0
8	Mr. S.K.Asher	0	0	0	0
9	Mr. N.T.Raisinghani	0	0	0	0
10	Mrs. R.F.Forbes	0	0	0	0
11	Mr. P.P.Chhabria	0	0	0	0
12	Mr. V.V.Thakur	0	0	0	0
13	Mr. P.S.Raghavan*	20	0	20	0

Notes :

- There is no change in the share holding percentage. The change in number of shares is due to stock split and issue of bonus shares in October 2014.
- * During the year one equity share of Rs. 10 was acquired.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits (Rs.)	Unsecured loans (Rs.)	Deposits (Rs.)	Total Indebtedness (Rs.)
Indebtedness at the beginning of the financial year:				
i) Principal Amount	2,766,112,389	492,500,000	686,940,000	3,945,552,389
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	500,544	Nil	Nil	500,544
Total (i+ii+iii)	2,766,612,933	492,500,000	686,940,000	3,946,052,933
Changes in indebtedness during the financial year:				
(A) Addition	Nil	458,493,690	Nil	458,493,690
(B) Reduction	770,467,772	Nil	154,525,000	924,992,772
Net Change (A - B)	(770,467,772)	458,493,690	(154,525,000)	(466,499,082)
Indebtedness at the end of the financial year:				
i) Principal Amount	1,996,145,161	950,993,690	532,415,000	3,479,553,851
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	1,996,145,161	950,993,690	532,415,000	3,479,553,851

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Director:

Sl. No.	Particulars of Remuneration	Name of MD/WTD		Total Amount (Rs.)
		Mr.P.R.Rathi	Mr.R.B.Rathi	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,953,920	16,514,034	34,467,954
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,536,446	998,055	2,534,501
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission	5,500,000	5,500,000	11,000,000
	-As % of profit	-	-	-
	-others, specify	-	-	-
5	Others, Please specify	-	-	-
	Total (A)	24,990,366	23,012,089	48,002,455
	Ceiling as per the Act (10% of profits calculated under Section 198 of the Companies Act, 2013)			64,704,909

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
	Mr. S. N. Inamdar	Mr. P. P. Chhabria	Mr. D. N. Damania	Mr. S. Padmanabhan	
1. Independent Directors					
• Fee for attending board committee meetings	285,000	160,000	180,000	120,000	745,000
- Commission	-	-	-	-	-
- Others, Please specify (Professional Fees)	750,000	-	-	-	750,000
	Mr. S. K. Asher	Mrs. R. F. Forbes			
Independent Directors					
• Fee for attending board committee meetings	240,000	140,000			380,000
- Commission	-	-			-
- Others, Please specify	-	-			-
Total (1)					1,875,000
	Mr. K. L. Rathi	Mr. N. J. Rathi	Mr. N. T. Raisinghani	Mr. B. S. Mehta	
2. Other Non-Executive Directors					
• Fee for attending board committee meetings	100,000	140,000	-	40,000	280,000
- Commission	-	-	-	-	-
- Others, Please specify	-	-	-	-	-
Total (2)					280,000
Total (B)=(1+2)					2,155,000
Total Managerial Remuneration					50,157,455
Overall Ceiling as per the Act (10% of profits calculated under Section 198 of the Companies Act, 2013)					64,704,909

C. Remuneration to Key Managerial Personnel Other Than Managing Director, Whole-time Director:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (Rs.)
		V. V. Thakur Dy. Gen. Mgr. - Finance	P. S. Raghavan Company Secretary	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2,856,494	1,724,500	4,580,994
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(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	-	-	-
	Total	2,856,494	1,724,500	4,580,994

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for the year ended 31st March, 2015.

For and on behalf of the Board of Directors
For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

K.L.RATHI
CHAIRMAN

Pune : 27th May, 2015

ANNEXURE VI

PARTICULARS OF CONTRACTS / ARRANGEMENTS MADE WITH RELATED PARTIES

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014-AOC-2]

Form of disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2015, which were not at arm's length basis.

Details of material contracts or arrangements or transactions at arm's length basis

Details of material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2015, are as follows:

Name of Related Party and Nature of Contract	Nature of Relationship	Duration of Contract	Salient Terms of the Contract	Amount (Rs. in Lacs)
Sale of material				
Sudarshan Europe BV	Subsidiary	Ongoing	Sale of raw material	12,342.90
Unsecured Loans				
Sudarshan Europe BV	Subsidiary	Not Applicable	Unsecured loan provided	1,215.59
Sudarshan Europe BV	Subsidiary	Not Applicable	Unsecured loan repaid	234.05
Rathi Brothers Poona Ltd.	Selling Agents	Not Applicable	Commission	434.15
Rathi Brothers Delhi Ltd.	Selling Agents	Not Applicable	Commission	223.23
Rathi Brothers Calcutta Ltd.	Selling Agents	Not Applicable	Commission	69.88
Rathi Brothers Madras Ltd.	Selling Agents	Not Applicable	Commission	49.71

Date of approval by the Board, if any : Not Applicable

Amount paid as advances, if any : Nil

For and on behalf of the Board of Directors
For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

K.L.RATHI
CHAIRMAN

Pune : 27th May, 2015

SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY COMPANIES VIDE FORM NO. AOC-1

Pursuant to Section 129(3) of the Companies Act, 2013 and Rule 5 of Companies (Accounts) Rules, 2014

Amount in Rs.

Sl. No.	Name of the Subsidiary	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total liabilities (excluding share capital and reserves & surplus)	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	% of shareholding
1	Prescient Color Limited	Rupees	89,000,000	55,270,633	367,302,051	223,031,418	Nil	660,324,214	38,000,697	-	38,000,697	100%
2	RIECO Industries Limited	Rupees	55,000,000	131,939,657	891,580,080	704,640,423	Nil	285,733,091	65,526,065	-	65,526,065	100%
3	Sudarshan Europe B.V.	Euro	190,897,415	(115,440,704)	791,143,547	715,686,836	12,77,13,765	1,531,429,109	34,482,513	-	34,482,513	100%
4	Sudarshan North America, Inc.	US Dollars	127,713,765	(96,130,143)	264,191,342	232,607,720	Nil	496,396,118	(26,887,939)	-	(26,887,939)	100%

Notes :

1. The reporting period for Subsidiaries mentioned at Sl. Nos. 1, 3 and 4 above is from 1st April, 2014 to 31st March, 2015.
2. The reporting period for the Subsidiary mentioned at Sl. No. 2 above is from 10th February, 2015 to 31st March, 2015.
3. None of the aforesaid subsidiaries have declared dividend during the Financial Year 2014-15.

For and on behalf of the Board of Directors
For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

K.L.RATHI
CHAIRMAN

Pune : 27th May, 2015

ANNEXURE VIII

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

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

To,
The Members,
Sudarshan Chemical Industries Limited
162 Wellesley Road, Pune -411 001
Maharashtra, India

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

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (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; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) Other laws applicable specifically to the Company namely:

- (a) Manufacture Storage and Import of Hazardous Chemical Rules, 1989, as amended;
- (b) Environment Protection Act, 1986;
- (c) Public Liability Insurance Act, 1991, as amended;
- (d) Chemical Accidents (Emergency Preparedness and Response) Amendment Rules 1986;
- (e) Gas Cylinder Rules, 1981;
- (f) Chemical Weapons Convention Act, 1993;
- (g) Explosives Act, 1889;
- (h) Insecticides Act, 1968;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not applicable)
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc.

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 Companies Act, 2013.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. During the year under Audit no specific instances of dissent have been recorded in the Minutes.

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

I further report that during the audit period the Company has :

- (a) Sub divided its equity shares of the Company from Rs. 10 to Rs. 2 per equity shares and further issued Bonus shares in the ratio of one equity share for every one equity share held on the record date i.e. 1st October, 2014;
- (b) Purchased the Industrial Mixing Solutions business of Rathi Vessels and Systems Private Limited, effective from 1st October, 2014; and
- (c) Purchased the entire equity shares consisting of paid up equity share capital of RIECO Industries Limited thereby making it a Wholly Owned Subsidiary of the Company, effective from 10th February, 2015.

All related compliances under relevant acts, rules in respect of the transactions listed above have been complied by the Company.

I report further that, except for the above there are no specific events / major decisions or activities undertaken in pursuance of the above Laws, Rules and Regulations, Guidelines, etc., during the Financial Year 2014-15, having a major bearing on the Company affairs.

For RAJESH KARUNAKARAN & CO.,
COMPANY SECRETARIES

RAJESH KARUNAKARAN
COMPANY SECRETARY
FCS No. 7441/CP No. 6581

Pune : 25th May, 2015

MANAGEMENT DISCUSSION AND ANALYSIS - 2014-15

Overview

The Global economic environment continued to be under stress in the background of recession in Europe, slow growth in the United States, and in most emerging-market economies. The effects of Euro zone crisis continues to affect key economies in Central and Eastern Europe. On the other hand turmoil in the Middle East is causing serious economic risks, constraining global growth.

The Indian Economy though reasonably insulated from Global downturn continues to battle, volatile foreign exchange situation, high current account deficit and tight credit conditions all of which have affected growth.

Business of the Company

The Company is a globally renowned player in the Pigment Industry and manufactures a wide range of Organic and Inorganic Pigments, Effect Pigments, Agro Chemicals and other products with facilities at Roha and Mahad, Dist. Raigad, Maharashtra. The Company has also set up an ultra modern R&D Facility at Ambadvet (Sutarwadi), Pune, India.

Financial and Operational Performance

The Business environment has been extremely challenging given the recessionary economic conditions leading to slowdown in economic growth. Revenues have been under pressure on account of unfavourable market conditions.

Profits were also under pressure on account of higher input costs, tightening credit market etc. In spite of these adverse market conditions, Company has done reasonably well in terms of sales. Of the total sales revenue of Rs. 10,818 Million achieved during the year, 43% is contributed by exports of Pigments.

The Company's overseas subsidiaries viz. Sudarshan Europe BV, Sudarshan North America, Inc. and Indian Subsidiary, Prescient Color Limited have posted improved results in the year under review as can be seen from the Company's consolidated financial results. The other Indian subsidiary i.e. RIECO Industries Limited became a wholly owned subsidiary of the Company w.e.f. 10th February, 2015.

The certification of ISO 9001 and ISO 14001 and OHSAS –ISO 18001 from BVQI is a testimony to the Company's commitment towards quality, safety and sustainable environment friendly approach. The Roha and Mahad factories of the Company, apart from other prestigious recognitions have received British Five Star Rating which is a testimony to strenuous efforts taken by the Company to achieve operational excellence in Environment Health and Safety. The Company has also well established R & D laboratories recognized by Department of Scientific & Industrial Research (DSIR). Also our Labs are ISO 17025:2001 certified by National Accreditation Board for Testing and Calibration Laboratories (NABL), Government of India and has received recognition upto 31st March, 2016.

Segmental overview

In accordance with Accounting Standard - 17, the Company has two reportable business segments, Pigments and Agro Chemicals.

Pigment business of the Company mainly comprises of manufacturing of High Performance Pigments and Commodity Pigments apart from customized pigments for niche segments catering to domestic and international customers as also manufacture of Effect Pigments for cosmetics, coating applications etc.

Agro Chemical business of the Company consists primarily of Products which are generic in nature.

Segment I – Pigments

1. Industry Structure and Developments

The Pigment Industry worldwide is one of the dominant industries with a collective revenues of over USD 5 billion. The growth of the Pigment Industry has more or less moved in tandem with the growth of Global economy. Growth in per capita income leading to growth in per capita spending fuels demand for Pigments ranging from paints to plastics to polymer, ink to cosmetics and more, encompassing every sphere of life.

The Company is leader in the domestic Pigment manufacturing Industry with a 35% market share. The Company manufactures a wide range of Organic, Inorganic and Effect Pigments catering to domestic and export markets and mainly paint, inks, plastics, cosmetics, fashion accessories and automobiles as the user industries. The Company's Pigments are exported to most of the discerning markets in Europe, America and Asia. The manufacturing activity is carried out at Roha and Mahad factories with R&D facilities at Ambadvet (Sutarwadi), Dist. Pune.

There is an excess capacity for the manufacture of commodity pigments worldwide. This results in intense price competition in the commodity segments market. The China factor also continues to affect the Pigment industry.

2. Opportunities and Threats

There exists opportunities for growth in the Pigment Industry considering the low per capita income spending as compared to the developed economies. The Indian Paint Industry in particular has undergone sophistication in the last couple of years in terms of high end Product range and technological competence. This along with growing domestic housing needs hold promise for varied Pigment applications. Automotive paints and Personal care segment on the back of increasing disposable income of a growing middle class provides opportunity for growth. Inks and plastics market also holds lot of promise as the Paper and Printing Industry is poised to record growth.

Pigment manufacturers in the developed countries, owing to high manufacturing costs and stringent environment control regulations are shifting their manufacturing bases to developing countries. This provides an opportunity to Indian manufacturers to get exposed to world class manufacturing practices.

The Pigment Industry has to address the issues of REACH Compliance as also issues relating to clean and green environment apart from the competitive pressure from the China and other developed markets.

Volatility in the price of inputs and the volatility of the Rupee vis a vis the US Dollar is a matter of concern and needs to be tackled if the Indian Pigment Industry has to remain competitive. Another matter of concern is the gestation period involved in evaluation and acceptability of the Company's Products by overseas customers and the costs associated with it, since many times proposals do not get converted into firm orders.

3. Performance

The Pigment Division increased its sales in the year 2014 - 15 to Rs. 9,578 million from Rs. 9,125 million in 2013-14. Sales from exports for the year under review amounted to Rs. 4,602 million as against Rs. 4,380 million achieved during the previous year.

4. Outlook

The Company's globalization plans and its strong base in the Indian Market provides a great opportunity for growth. Also the Company's strategy of focusing among others on High Performance Pigments and specialized Azo Pigments provide a great future.

The Indian Pigment Industry has evolved from a basic Pigment producer to that of a knowledge intensive industry catering to requirement of colorants for all segments. The domestic demand for Pigments offers opportunity to the Company to improve its market share. Many new High Performance and Effect Pigments are also being launched for cosmetic and coating markets. The Company's strategy of setting up sales offices to cater to European and North American Customers is expected to give push to Pigment exports as the Company is better equipped to understand and comply with their preferences.

As a result of the slow down in Western markets, end consumers of Pigment Products are on the look out for alternative suppliers to meet their varied requirements. Sudarshan with a wide range of High Performance Pigments as also Effect Pigments is ideally placed to meet their requirements.

As a consequence of all these actions, the Company expects better results during the current year.

5. Risks and Concerns

Volatility of the Rupee vis a vis the US Dollar, fluctuation in the prices of inputs is a matter of grave concern as it negates the key advantage of competitive pricing. There is also a great deal of uncertainty regarding pricing and availability of key intermediates from China.

Compliance of REACH regulations is a time consuming and expensive proposition making penetration of the Company's Pigments in the European market a challenging task.

The Company is operating in a segment dominated by multinational companies with cutting edge technologies in Pigment manufacturing. This provides an opportunity as well as an operating risk. The Company has a Risk Management Policy in place to assess and minimize business risk, to ensure protection of the environment and enable discharging its legal requirements concerning emission, waste water and waste disposal. As a part of Global policy, the relevant parameters are analyzed to minimize risk associated with, safety of operations and health of people at work vis-a-vis regulatory requirements and Sudarshan risk management guidelines. The Company is in compliance with legal requirements concerning emission, waste water and waste disposal and accords top priority to work place safety at all its manufacturing sites.

Segment II – Agro Chemicals**1. Industry Structure and Developments**

As India continues to grow its economy in a bigger way, agriculture sector must also keep pace in improving its infrastructure, efficiency and productivity in a sustainable manner and contribute to the food security of population of over a billion. Weather fluctuations continue to affect agriculture sector significantly. During 2014-15, the overall climatic conditions were not favourable to the agriculture sector. Sowing season did not progress well as per expectations. Overall, the cultivable land available was much less than the previous year 2013-14. Late rain at the end of season led to crop damage in various states. Unseasonal rains in February and March, 2015 also led to crop damage.

The Agro Chemicals Industry has also seen a change in the Product mix owing to change in the crop pattern as also due to change in the pattern of Pest formation. The average per hectare consumption of agrochemicals in India is comparatively lower than consumption in USA, Japan and other developed countries. This augurs well for the Agro Chemical Industry. Rapid growth in acreage of Bt Cotton hybrids resulting in improvement in yield of cotton crop is opening new opportunities for more consumption of pesticides for the control of sucking pests and plant growth nutrients.

India being a tropical country, the consumption pattern of pesticides is tilted towards insecticides, accounting for around 58-60% of the crop protection chemical market. It is followed by herbicides and fungicides at 20% and 18% respectively.

The Crop Protection Industry witnessed growing uncertainties owing to variations in the monsoon spread in some parts of the country, change in climatic conditions, fluctuation in end product prices due to variable raw material costs as also unavailability of key raw materials from China. The Industry also witnessed further slide in the demand for conventional products.

2. Opportunities and Threats

Rising costs and uncertainty in availability of some key raw materials continue to be a challenge. The exchange rate fluctuations also impact the raw material prices. Genetically modified seeds which have more self-immunity from natural adversaries pose a threat to the Agro Chemical business.

Large area exists in India for agriculture cultivation. We are the 7th largest country geographically and a large area is under crop cultivation. Indian Agro Chemical Industry has potential for growth considering the cost advantage as compared to that prevailing in developed countries as also considering the fact that usage of Insecticides in India on acreage basis as compared to developed countries is comparatively low. The need of the Industry is to invest in new products considering the change in crop pattern and pest formation. However, the costs associated with development and introduction of new molecules are a deterrent to domestic agro chemical companies with low technology base and limited area of operations. The number of pesticides imported from China is also increasing.

3. Performance

During the year under review, the Agro Division achieved a turnover of Rs. 1,155 million as against Rs. 1,100 million made in the previous year. Notwithstanding the adverse business environment, the Agro Division has managed to earn reasonable profits for the year under review. The Company expects to improve performance by concentrating more on the sale of Technical and Bulk pesticides.

The Agro Chemical Industry is more than ever subjected to the vagaries of the monsoon and can impact sale of Agro Chemicals. The Company is mainly into the generic segment which faces cut throat competition from other unorganized and organized players in the Agro Chemical Industry. This may lead to stagnation in revenues and bottom line.

4. Outlook

The company expects to improve the performance by laying more emphasis on Technical and Bulk as well as brand Business. Notwithstanding availability constraints of key raw materials and difficult market conditions, the current year should end on a positive note.

5. Risks and concerns

Increasing number of Indian Companies are registering Chinese material in India. Any change in the Chinese supply position will adversely affect Indian Agro Chemical Industry. The below expectation of a normal monsoon coupled with various uncertainties is also a matter of concern as it impacts the overall crop pattern and resultant pest formation.

Internal Controls Systems

The Company has an internal control system commensurate with the size and nature of business. The Company is committed to ensuring a comprehensive internal control structure to ensure across the board operational efficiency and compliance with applicable laws besides ensuring that all its assets are adequately safeguarded and protected. All internal control systems are regularly reviewed to ensure efficacy and suitability to changing requirements and regulations. The Company has retained the services of independent firms of professionals to conduct internal audits and provide reports on the adequacy or otherwise of internal control systems. All these reports and observations are regularly reviewed by the top management and also by the Audit Committee of the Board and gaps, if any, are addressed by rectifying systems and policies.

The Company has established a Risk Management Policy to maintain the highest standards of environment, safety and health as also in other functional and operational areas which is strictly adhered to.

Human Resource Development

The Company continued its efforts to face the challenging business environment by upgrading the capability of its Human Resources through various initiatives in development and training of employees at all levels. For more details refer to the Director's Report. As on 31st March, 2015 a total of 863 persons were employed by the Company.

CAUTIONARY STATEMENT

Statement made in this report describing the Company's objectives, projections, estimates, explanations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operations, changes in the Government regulations, tax laws and other statutes and incidental factors.

REPORT ON CORPORATE GOVERNANCE

I. Company's Philosophy on Code of Governance:

The Company's philosophy on Corporate Governance envisages attainment of transparency and accountability in all spheres including its dealings with employees, shareholders, customers, vendors, lenders and others. Thus, Corporate Governance is a reflection of Company's culture, policies, Company's relationship with stakeholders and Company's commitment to values. The Company believes that it has established systems and actions which are compliant with the requirements stipulated by the Securities and Exchange Board of India ('SEBI') from time to time, under the revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges, which came into effect from 1st October, 2014. These systems and actions of the Company are designed to further the objectives of good governance of the Company, thereby enhancing its performance and increasing stakeholders' value.

The Corporate Governance philosophy of the Company has been further strengthened with the adoption of the Code of Conduct of the Company and among others, the Code for Prevention of Insider Trading. The Company, through its Board and committees, endeavors to maintain high standards of Corporate Governance for the benefit of its stakeholders.

Compliance with the requirements of Clause 49 of the Listing Agreement relating to Corporate Governance are set out below:

II. Board of Directors:

II.1. Composition:

The Board of Directors comprises of following Members as detailed below:-

Sr. No.	Category of Directors	Name of the Director
1.	Promoters	1. Mr. K.L. Rathi – Chairman 2. Mr. P.R. Rathi – Vice Chairman and Managing Director 3. Mr. R.B. Rathi – Dy. Managing Director 4. Mr. N.J. Rathi – Non - Executive Director
2.	Non – Promoters (Independent)	1. Mr. S.N. Inamdar 2. Mr. P.P. Chhabria 3. Mr. D.N. Damania 4. Mr. S. Padmanabhan 5. Mr. S.K. Asher 6. Mrs. R.F. Forbes 7. Mrs. S.A. Panse, w.e.f. 27/05/2015
3.	Non – Promoter (Non-Independent)	1. Mr. N.T. Raisinghani, w.e.f. 13/02/2015

Notes:

- None of the Non-Promoter Independent Directors of the Company had any material pecuniary relationship or transactions with the Company, its Promoters, its management during the Financial Year 2014-2015 which in the judgment of the Board may affect independence of judgment of the Directors.
- The Directors mentioned at Serial No. 2 above fall within the expression of "Independent Directors" as mentioned in Clause 49 (II) (B) of the Listing Agreement.
- The Director mentioned at Serial No. 3 above, is a Director in Breakthrough Management Group India Private Limited (BMGI), Mumbai which has material dealings with the Company. Hence, the director named at Serial No. 3 is classified as a Non-Independent Director.

The present composition of the Board is in compliance with the Clause 49(II)(A) of the Listing Agreement.

Profile of Promoter Directors:

1. **Mr. K.L.Rathi**, Chairman, is B.Sc, B.Sc.(Tech) and M.A.(Chem) from Columbia University, USA and has been associated with the Company for more than four decades .
2. **Mr. P.R.Rathi**, Vice Chairman and Managing Director, is MS in Chemical Engineering from MIT, USA and M.B.A. from Columbia University, USA and has been associated with the Company for more than three decades .
3. **Mr. R.B.Rathi**, Director, is B.E.Mech. Engg from MIT, Pune, B.S.Chem. Engg. from Ohio University USA and M.B.A. from Pittsburgh University, USA. Mr. R.B.Rathi has been associated with the Company for the past two decades.
4. **Mr. N.J.Rathi**, Non-Executive Director, is M.Com from University of Pune and M.B.A. from USA and has been associated with the Company for more than four decades.

Profile of Non-Executive, Independent Directors:

1. **Mr. S.N.Inamdar**, is a leading advocate and an expert in Income Tax matters. Mr. S.N.Inamdar is Chairman of Audit Committee of the Board of Directors and is also on the Board of several other Companies.
2. **Mr. P.P.Chhabria**, is the original Promoter of Finolex Group of companies coming under flagship Finolex Brand. Mr.P.P.Chhabria is also on the Board of several other Companies.
3. **Mr. D.N.Damania**, is B.E Mechanical Engineering from Pune University and a renowned technocrat. Mr. D.N. Damania is also on the Board of several other Companies.
4. **Mr. S.Padmanabhan**, is M.Sc. (Physics) from Delhi University and Bachelor of General Law from Mumbai University. Mr. S.Padmanabhan has a diploma in Development Economics from University of Cambridge, U.K. and a Diploma in Management Accounting from Bajaj Institute of Management, Mumbai. A former IAS Officer, Mr. S.Padmanabhan has wide experience in setting up of industrial projects, finance and administration. Mr. S.Padmanabhan is also on Board of several other Companies.
5. **Mr. S.K.Asher**, is a Fellow member of the Institute of Chartered accountants of India and Commerce & Law graduate from the Bombay University. Mr. Sanjay Asher is senior partner of M/s Crawford Bayley & Co, Mumbai and is also on the Board of several other Companies.
6. **Mrs. R.F.Forbes**, is a Graduate in Psychology and Sociology from Bombay University and has further done special courses on Women in Leadership, Human Resources and Organisational Behaviour and Social Entrepreneurship and Philanthropy from IIM Ahmedabad and Stanford University. She is also on the Board of other companies including Forbes Marshall Private Ltd. since 1999.
7. **Mrs. S.A.Panse**, has done M.Sc., D.B.M. (Diploma in Business Management), MMS (Masters in Management Sciences with specialization in Financial Management) from Pune University and M.B.A. (Masters in Business Administration with specialization in Bank Management) from Drexel University, USA. She has also acquired a professional qualification C.A.I.I.B. (Certified Associate of Indian Institute of Bankers).

Profile of Non - Executive, Non - Independent Director:

Mr. Naresh T Raisinghani, is the CEO and Executive Director of Breakthrough Management Group International, Mumbai. He has done his Management from Harvard Business School and his Bachelors in Mechanical Engineering from University of Mumbai. Mr.Naresh T. Raishinghani is also on the Board of other Companies.

II.2 Meetings and Attendance:

During the Financial Year, 2014-2015, five meetings of the Board of Directors were held on 23rd May, 2014, 9th August, 2014, 29th September, 2014, 14th November, 2014 and 13th February, 2015.

Details regarding attendance of the Directors at the Board Meetings held during the Financial Year 2014-2015 and at the last Annual General Meeting held on 9th August, 2014 are given below:-

Sr. No.	Name of the Director	Designation	Status	No. of Board Meetings attended	Attendance at the last AGM
1.	Mr. K.L.Rathi	Chairman	Non-Executive	5	Yes
2.	Mr. P.R.Rathi	Vice Chairman and Managing Director	Executive	5	Yes
3.	Mr. R.B.Rathi	Dy. Managing Director	Executive	4	Yes
4	Mr. N.J.Rathi	Director	Non -Executive	5	Yes
5.	Mr. S.N.Inamdar	Director	Non-Executive	5	Yes
6.	Mr. P. P.Chhabria	Director	Non-Executive	3	Yes
7.	Mr. D.N.Damania	Director	Non-Executive	4	Yes
8	Mr. S.Padmanabhan	Director	Non-Executive	4	Yes
9.	Mr. S.K.Asher	Director	Non-Executive	4	Yes
10.	Mrs. R.F.Forbes	Director	Non-Executive	4	Yes
11.	Mr. N.T.Raisinghani	Director *	Non-Executive, Non Independent	-	NA

* Appointed w.e.f. 13th February, 2015

II.3 Details of Directorship(s) and Committee membership(s) in Companies:

(No. of companies)

Name of the Director	Directorship *	Committee Membership**
Mr. K.L.Rathi	11	1
Mr. P.R.Rathi	18	10
Mr. N.J.Rathi	11	4
Mr. R.B.Rathi	14	2
Mr. S.N.Inamdar	9	12
Mr. P.P.Chhabria	10	3
Mr. D.N.Damania	8	9
Mr. S.Padmanabhan	6	5
Mr. S.K.Asher	20	13
Mrs. R.F.Forbes	4	4
Mr. N.T.Raisinghani	2	-

* (Includes Directorships held in Private Companies, Section 8 Companies, Body Corporate incorporated outside India and Alternate Directorships)

** (Includes Chairmanship / Membership of Remuneration / Compensation Committees which is non-mandatory under Clause 49 of the Listing Agreement)

None of the directors is a member in more than 10 mandatory committees or acting as Chairman of more than five committees across all companies in which he / she is a director. The necessary disclosures regarding Committee positions have been made by the Directors.

III. Delegation of Authority and Responsibilities:

The Company has established a system of Delegation of Authority to define the limits of authority delegated to specified positions of responsibility within the Company and to establish the obligations that are to be performed by individuals. The approval of commitments and responsibilities outlined in this system are approved by the Managing Director and noted by the Board of Directors.

The Working Directors of the Company have delegated responsibilities coupled with necessary authorities to Officials of the Company so as to designate them as "Responsible Persons" and to vest in them, the authority and responsibility to ensure that all statutory compliances as applicable are complied. The Board periodically reviews the Compliance Report in relation to all laws applicable to the Company.

IV. Information placed before the Board of Directors:

The information as required under Annexure - X to Clause 49 of the Listing Agreement is made available to the Board in every meeting.

V. Audit Committee:

The Company has constituted a qualified Audit Committee complying with Clause 49 (III) of the Listing Agreement. All members of the Committee are financially literate, with Mr. S.N.Inamdar, Chairman of the Committee, having the relevant accounting and financial expertise.

Composition

The Audit Committee consists of the following Directors:

Name of the Members	Category	No. of Meetings attended during the year 2014-15
Mr. S.N.Inamdar, Chairman	Independent, Non-Executive Director	5
Mr. D.N.Damania, Member	Independent, Non-Executive Director	4
Mr. S.K.Asher, Member	Independent, Non-Executive Director	4
Mr. P.R.Rathi, Member	Promoter, Vice Chairman and Managing Director, Non-Independent, Executive Director	5

Meetings and attendance during the year

During the Financial Year 2014-2015, five meetings of the Audit Committee were held on 23rd May, 2014, 9th August, 2014, 29th September, 2014, 14th November, 2014 and 13th February, 2015.

Mr. P.S. Raghavan, Company Secretary is Secretary to the Audit Committee.

Mr. S.N.Inamdar, Chairman of the Audit Committee was present at the previous Annual General Meeting held on 9th August, 2014.

Terms of Reference of Audit Committee

The Audit Committee of the Company is entrusted with the following powers and responsibilities to supervise the Company's internal control and financial reporting process.

Powers of Audit Committee

The primary objective of Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures, transparency, integrity and quality of financial reporting. The Audit Committee is empowered, pursuant to its terms of reference, inter alia, to:

1. Investigate any activity within its terms of reference of the Companies Act, 2013 or referred to it by the Board and for its purpose, shall have full access to information contained in the records of the Company and external professional, legal or other advice, if necessary;
2. Seek information from any employee;
3. Obtain outside legal or other professional advice; and
4. Secure attendance of outsiders with relevant expertise wherever it considers necessary.

Role of Audit Committee

The role of the Audit Committee is in line with the Clause 49 of the Listing Agreement and the Committee performs among others the following functions :

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the Management, the annual Financial Statements before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by Management;
 - d) Significant adjustments made in the Financial Statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to Financial Statements;
 - f) Qualifications in the draft audit report, if any;
5. Approval or any subsequent modification of transactions of the Company with related parties;
6. Reviewing, with the Management, the quarterly Financial Statements before submission to the Board for approval;
- 6A. Reviewing and monitoring with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
8. Review and discuss with the management the status and implications of major legal cases;
9. Reviewing the adequacy of Internal Audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
10. Discussion with Internal Auditors on any significant findings and follow up thereon.
11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
12. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any.
14. To review the functioning of the Whistle Blower mechanism from time to time, address genuine concerns; and :
 - a) To ensure the action taken on the alleged complaints received under this mechanism;
 - b) To review the adequacy of the final outcome of such complaint and ensure that the reward or punishment is commensurate with the final outcome;
 - c) To get an independent expert opinion, if need be, on the alleged complaint.
15. Direct access to the Chairman of the Committee, in appropriate or exceptional cases, to the vigil mechanism established by the Company.
16. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

17. Scrutiny of inter-corporate loans and investments.
18. Valuation of undertakings or assets of the Company, wherever it is necessary.
19. Valuation of internal financial controls and risk management systems.
20. Mandatorily reviewing the following information :
 - a) Management discussion and analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions;
 - c) Management letters / letters of internal control weakness issued by the Statutory Auditors;
 - d) Internal audit report relating to internal control weakness;
 - e) Appointment, removal and terms of remuneration of the Internal Auditor (s).
21. Review of Financial Statements, Investments made in Wholly Owned Subsidiary Companies i.e. Prescient Color Limited, RIECO Industries Limited, Sudarshan Europe B.V. and step down Subsidiary i.e. Sudarshan North America, Inc.
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The full text of the Charter of the Audit Committee is available at the Company's website www.sudarshan.com

VI. Nomination and Remuneration Committee:

Composition and Meetings

The Nomination and Remuneration Committee (NRC) of the Board consists of the following Directors:

Name of the Members	Category	No. of Meetings attended during the year 2014-2015
Mr. P.P.Chhabria, Chairman	Independent, Non-Executive Director	2
Mr. S.N.Inamdar, Member	Independent, Non-Executive Director	2
Mr. D.N.Damania, Member	Independent, Non-Executive Director	2
Mr. S.K.Asher, Member *	Independent, Non-Executive Director	1
Mr. N.J.Rathi *	Non-Independent, Non-Executive Director	1

* Co-opted as a Member w.e.f. 11th February, 2015

During the Financial Year 2014-2015, two meetings of the Remuneration Committee were held on 23rd May, 2014 and 11th February, 2015.

Terms of Reference

1. To identify persons:
 - (i) who are qualified to become directors; and
 - (ii) who may be appointed in Senior Management in accordance with the criteria laid down by NRC for determining qualifications and positive attributes;

The expression 'senior Management' has been defined vide Explanation to sub-section (8) of Section 178 of the 2013 Act.

Senior Management of the Company shall consist of :

- (i) those identified by the Company as forming part of the core management team;
 - (ii) Senior Management (other than Board of Directors / Board) who are one level below the Executive Directors;
 - (iii) functional heads (even though they may be more than one level below the Executive Directors).
2. To recommend to the Board, the appointment and removal of Directors and Senior Management personnel;
3. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board, a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

4. To determine or review on behalf of the Board, the compensation package, service agreements and other employment conditions for managing or whole time director (s);
5. To determine on behalf of the Board, the quantum of annual increments or incentives on the basis of performance of the Key Managerial Personnel;
6. To formulate, amend and administer stock option plans and grant stock options to Managing or Whole Time Director (s) and employees of the Company;
7. To formulate or lay down the criteria for evaluating the Independent Directors and the Board, that is to say, the criteria for performance evaluation of the Independent Directors;
8. To devise a policy on succession planning Board diversity;
9. To consider other matters, as from time to time, be referred to it by the Board.

Remuneration Policy

The Company, while deciding the remuneration package of the Working Directors and Senior Management takes into consideration the following items: (a) employment scenario; (b) remuneration package of the industry; and (c) remuneration package of the managerial talent of other industries. The annual variable pay of Working Directors and Senior Management is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives. For more details, please refer to the Remuneration Policy of the Board, KMP appearing in the Directors' Report.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and Performance Linked Variable Allowance (PLVA) / Commission (variable component) to Managing Director / Dy. Managing Director. Salary is paid within the range approved by the Shareholders. Annual increments effective on 1st April each year, as recommended by the Nomination and Remuneration Committee, are approved by the Board. Commission is calculated with reference to net profits of the Company in a particular Financial Year and is determined by the Board of Directors at the end of the Financial Year based on the recommendations of the Nomination and Remuneration Committee, subject to overall ceilings stipulated in Section 197 of the Companies Act, 2013. Specific amount payable to such directors is based on the performance criteria laid down by the Board which broadly takes into account the profits earned by the Company for the year.

The Non-Executive Directors (NEDs) are paid remuneration by way of Sitting Fees. Subject to the shareholders' approval to be obtained at the ensuing 64th AGM scheduled on 14th August 2015, Commission @ 1% subject to a maximum amount of Rs.25 Lacs is proposed to be paid (computed in accordance with Section 198 of the Companies Act, 2013).

The distribution of Commission amongst the NEDs is placed before the Board. The Commission is decided and distributed by the Chairman on the basis of their attendance and contribution at the Board and certain Committee Meetings as well as time spent on operational matters other than at the meetings.

The Company pays sitting fees to the NEDs for attending the meetings of the Board. The Schedule of sitting fees presently being paid is appended below:

Sr. No.	Particulars	Sitting fees per meeting Amount (Rs.)
1.	Board of Directors	20,000
2.	Audit Committee	20,000
3.	Stakeholders Relationship Committee	20,000
4.	Nomination and Remuneration Committee	20,000
5.	Risk Management Committee	20,000
6.	Finance Committee	20,000
7.	Adhoc Committee (for specific purposes)	20,000
8.	Issue of Share Certificates / Duplicate Share Certificates	5,000

Formal letter of appointment to Independent Directors :

The Company has issued a formal letter of appointment to each of the Independent Directors. The terms and conditions of appointment have been disclosed on the website of the Company www.sudarshan.com

Performance evaluation mechanism :

As mandated under Schedule IV to the Companies Act, 2013 concerning Code for Independent Directors, the performance evaluation mechanism of the Independent Directors and the Board as a whole was duly completed for the Financial Year 2014-15. For more details please refer the Director's Report for the year under review.

Independent Directors meeting :

A separate meeting of the Independent Directors of the Company was held on 13th February, 2015 without the attendance of Non-Independent Directors and Members of the Management. The Independent Directors reviewed (i) the performance of Non-Independent directors and the Board as a whole; (ii) the performance of the Chairman of the Board taking into account the views of the Executive Directors and Non-Executive Directors ; and (iii) assessed the quality, quantity and timeliness of flow of information between the Company management and the Board required to effectively and reasonably perform their duties and have expressed satisfaction .

Familiarization program for Independent Directors :

Your directors has adopted an ongoing Familiarization Program ("the Program") for Independent Directors pursuant to Clause 49 (II) (B) (7) of the Listing Agreement. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company and to help them in the efficient discharge of their roles, rights and responsibilities in the Company. Details of such programs have been disclosed on the company's website www.sudarshan.com

Board Diversity Policy

The Company recognizes and embraces the importance of a diverse Board in its success. The Company believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, which will ensure that the Company retains its competitive advantage.

The Company believes that a diverse Board will contribute to the achievement of its strategic and commercial objectives, including to:

- drive business results;
- make corporate governance more effective;
- enhance quality and responsible decision making capability;
- ensure sustainable development; and
- enhance the reputation of the Company.

Full text of the Board diversity policy is available on the Company's website www.sudarshan.com

No. of shares held by Non - Executive Directors (As on 31st March 2015):

Sr. No	Name of the Non-Executive Director	No. of shares of Rs. 2 each held
1.	Mr. K.L.Rathi	10,74,300
2.	Mr. N.J.Rathi	24,17,650
3	Mr. D.N.Damania	930

Remuneration to Executive Directors for the year ended 31st March, 2015:

(Amount in Rs.)

Particulars	Mr. P.R. Rathi Vice Chairman and Managing Director	Mr. R.B.Rathi Dy. Managing Director
Salary and Other allowances	16,507,057	17,094,264
Contribution to Provident Fund & other Funds	1,879,200	1,280,772
Other Perquisites	67,800	67,800
Commission	6,000,000	6,000,000
Total	24,454,057	24,442,836

Remuneration to Non-Executive Directors (As on 31st March, 2015):

(Amount in Rs.)

Name of the Director	Sitting Fees	Others (Professional Fees)	Total
Mr. B.S.Mehta *	40,000	-	40,000
Mr. K.L.Rathi	100,000	-	100,000
Mr. S.N.Inamdar	285,000	750,000	1,035,000
Mr. P.P.Chhabria	160,000	-	160,000
Mr. D.N.Damania	180,000	-	180,000
Mr. S.Padmanabhan	120,000	-	120,000
Mr. S.K.Asher	240,000	-	240,000
Mrs. R.F.Forbes	140,000	-	140,000
Mr. N.J.Rathi	140,000	-	140,000
Total	1,405,000	750,000	2,155,000

- Sitting fees paid for the Audit Committee Meeting and Board Meeting attended on 23rd May, 2014. Retired w.e.f. 9th August, 2014.

In addition to sitting fees, Mr. S.N. Inamdar is also paid fees for rendering professional services. However these are not material in nature.

The full text of the Charter of the Nomination and Remuneration Committee is available at the Company's website www.sudarshan.com

VII. Stakeholders' Relationship Committee:**Composition**

The Stakeholders' Relationship Committee comprises of the following Directors:

Name of the Members	Category	No. of Meeting attended during the year 2014-2015
Mr. P.P.Chhabria, Chairman	Independent, Non-Executive Director	2
Mr. S.K.Asher, Member *	Independent, Non-Executive Director	2
Mr. P.R.Rathi, Member	Vice Chairman and Managing Director	2
Mr. N.J.Rathi, Member	Non-Executive Director	2

- * Co-opted as a Member w.e.f. 14th November, 2014

Terms of Reference

- To consider and resolve the grievances of security holders of the Company including complaints related to :
 - Transfer of shares;
 - Non-receipt of Balance Sheet;
 - Non-receipt of declared dividends; and
 - Any other investors' grievance raised by any security holder;
- To approve transfer or transmission of equity shares, debentures or any other securities;
- To issue duplicate share certificates;
- To approve and issue fresh share certificates by way of split, consolidation or renewal of the existing share certificates or in any other manner;
- To allot fully or partly paid-up shares, convertible debentures or other financial instruments convertible into equity shares at a later stage;

6. To ensure that the rights of stakeholders that are established by law or through mutual agreements are respected;
7. To offer stakeholders the opportunity to obtain effective redress for violation of their rights and to monitor the resolution of their grievances;
8. To encourage mechanisms for employee participation;
9. To ensure that stakeholders have access to relevant, sufficient and reliable information on a timely and regular basis to enable them to participate in Corporate Governance process;
10. To devise an effective whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices;
11. To oversee the performance of the Registrars and Share Transfer Agents of the Company;
12. To look into such other matters as may from time to time be required by any statutory or regulatory authority to be attended by the Committee;
13. To consider other matters, as from time to time, be referred to it by the Board.

The full text of the Charter of the Stakeholders Relationship Committee is available at the Company's website www.sudarshan.com

Meetings

During the Financial Year 2014-2015, two meetings of the Stakeholders' Relationship Committee was held on 14th November, 2014 and 11th February, 2015. All the members of this Committee attended both the meetings.

Based on the report received from the Company's Registrars, no complaint was received from SEBI, Stock Exchange(s).

Name, Designation and address of Compliance Officer:

Mr. P.S. Raghavan

Company Secretary

Sudarshan Chemical Industries Limited,

162 Wellesley Road, Pune 411 001

Maharashtra, India

VIII. Risk Management Committee :

Overview

Risk is an integral and inseparable component of the business operations of a company. Risks which a company may face include market risks, financial reporting risks, finance risk, fluctuations in foreign exchange, technological risks, human resource management and legal or compliance risks. The Company believes that identifying significant risks which the Company may face and devising risk assessment and mitigation procedures to tackle such risks would play an important role in protecting shareholder value, improving governance processes and meeting unforeseen exigencies in the cycle of conduct of business operations of the Company.

Composititon

The present Members of the Risk Management Committee are :

- (i) Mr. D.N.Damania, Chairman
- (ii) Mr. S.Padmanabhan, Director
- (iii) Mr. P.R.Rathi, Vice Chairman & Managing Director
- (iv) Mr. R.B.Rathi, Dy.Managing Director
- (v) Mr. A.Vij, Chief Operating Officer – Pigment Division
- (vi) Mr. N.V.Kamat, Sr. General Manager – SHE
- (vii) Mr. V.V.Thakur, Dy. General Manager – Finance (Acting CFO)

Terms of Reference

1. The Risk Management Committee shall assist the Board with the identification and management of risks to which the Company is exposed. However they shall not be responsible to address risks which come under the

purview of the Audit Committee , Nomination and Remuneration Committee or any other committee constituted by the Board to address any specific risk.

2. The Risk Management Committee shall ensure effective implementation of the Policy of the Company. This shall among others include :
 - (i) putting in place risk management frameworks and processes;
 - (ii) identifying risks and promoting a pro-active approach to treating such risks;
 - (iii) conducting regular risk assessments;
 - (iv) allocating adequate resources to mitigate and manage risks and minimize their adverse impact on outcomes;
 - (v) striving towards strengthening the risk management system through continuous learning and improvement;
 - (vi) delineating business continuity processes and disaster management plans for unforeseen exigencies and providing clear and strong basis for informed decision making at all levels of the organization;
 - (vii) deploying strategies and methods to reduce the severity of risks;
 - (viii) complying with all relevant laws and regulations across its areas of operation; and
 - (ix) communicating the Policy to the required stakeholders through suitable means and periodically reviewing its relevance in a dynamic business environment.

Meetings :

The first meeting of the Risk Management Committee was held on 12th February, 2015. Mr. S.Padmanabhan, Director presided over the meeting.

The full text of the Charter of the Risk Management Committee is available at the Company's website www.sudarshan.com

IX. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

Corporate Social Responsibility Committee has been constituted in accordance with the provisions of Section 135 of the Companies Act, 2013

Terms of Reference

The CSR Committee shall:

- i. Formulate CSR Policy and recommend the same to the Board of the Company for approval;
- ii. Recommend CSR Activities as specified in Schedule VII to the Act including any amendments or modification from time to time as applicable;
- iii. Approve to undertake CSR Activities in collaboration with group companies or other companies or non-governmental organizations and to separately report the same in accordance with the CSR Rules;
- iv. Recommend the amount of expenditure to be incurred on the CSR Activities;
- v. Spend the allocated CSR amount on the CSR Activities once it is approved by the Board of the Company in accordance with the Act and the CSR Rules;
- vi. Monitor the Corporate Social Responsibility Policy of the Company from time to time;
- vii. Monitor and ensure that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of a Company;
- viii. Formulate a transparent mechanism for ensuring implementation of the projects, programs or activities proposed to be undertaken by the Company or the end use of the amount spent towards CSR Activities;
- ix. Ensure that all the income accrued to the Company by way of CSR Activities is credited back to the CSR corpus;
- x. Approve the responsibility statement relating to implementation and monitoring of CSR Policy in compliance with CSR Objectives and CSR Policy of the Company and submit reports to the Board in respect of CSR Activities undertaken by the Company;
- xi. Review and ensure compliance with the requirements of the provisions of the Act, CSR Rules and periodical disclosure requirements;

xii. Authorise executives of the Company to attend the meetings of the CSR Committee.

The Committee reports regularly to the Board such matters as are relevant to the Company.

Composition

CSR Committee currently consists of following Members:

1. Mrs. Rati F. Forbes, Chairman
2. Mr. P.R.Rathi, Member &
3. Mr. R.B.Rathi, Member

During the Financial Year 2014-15, two meetings of the CSR Committee were held on 7th August, 2014 and 13th February, 2015. All the members were present at these two meetings.

X. Other committees constituted by the Company:

1. **Finance Committee:** The scope of the Committee is to approve raising of short term finance within the overall limits set up by the Board.

Mr. P.R.Rathi, Mr. K.L.Rathi, Mr. N.J.Rathi and Mr. S.N.Inamdar, Directors constitute members of the Committee.

2. **Share transfer committee:** The scope is to approve / reject the transfers based on the report of the Company's Registrar and Transfer Agents, M/s Link Intime India Private Limited.

Mr. K.L.Rathi, Mr. P.R.Rathi and Mr. N.J.Rathi, Directors constitute members of the Committee.

Meetings are held at convenient intervals to ensure transfer and dispatch of share certificates within the stipulated time limit prescribed by the stock exchanges.

3. **Issue of Share Certificates / Duplicate shares Certificates Committee:** The scope of the committee is to approve issue of Duplicate share certificates arising out of split / consolidation and loss of share certificates.

Mr. K.L.Rathi, Mr. N.J.Rathi and Mr. S.N.Inamdar, Directors constitute members of the committee.

Meetings are held at convenient intervals to ensure issue and dispatch of share certificates within the stipulated deadline prescribed by the stock exchanges.

4. **Adhoc Committee :** The scope of this Committee is to recommend to the Board regarding the development of the Sangam Land situated at 162 Wellesley Road, Pune 411 001. The Members of the Committee are Mr. P.P.Chhabria, Mr. S.N.Inamdar and Mr. S.K. Asher. Mr. P.P.Chhabria is acting as Chairman of the Committee.

During the Financial Year 2014-15, one meeting of this Committee was held on 23rd May, 2014.

XI. Related Party Transactions :

For details regarding Related Party Transactions, please refer to the Notes to the Financial Statements. Please also refer to **Annexure VI** with regard to Form No. AOC-2 for Related Party Transactions which are material in nature. The full text of the Related Party Transactions policy is available at the Company's website www.sudarshan.com

XII. General Body Meeting:

Details of last three Annual General Meetings are given below:

Financial Year	Date	Venue	No. of Directors present
2013-2014	09/08/2014	Mahratta Chamber of Commerce, Industries And Agriculture, Tilak Road, Pune	10
2012-2013	20/09/2013	Mahratta Chamber of Commerce, Industries And Agriculture, Tilak Road, Pune	8
2011-2012	10/08/2012	Mahratta Chamber of Commerce, Industries And Agriculture, Tilak Road, Pune	9

XIII. A. Details of Special Resolutions passed at the previous three Annual General Meetings:

Date of AGM	Details of Special Resolution/s passed	Remarks
09-08-2014	1. For obtaining the consents of the shareholders for borrowings and creation of charges on the properties of the Company situated at Roha, Mahad and Ambadvet upto an amount not exceeding Rs.500 Crores 2. For obtaining the consents of the shareholders for entering into transactions with Rathi Brothers Poona Limited, Rathi Brothers Delhi Limited, Rathi Brothers Calcutta Limited and Rathi Brothers Madras Limited in which the Promoter Group Directors and Members of the Promoter Group are interested.	Passed by three fourth's majority. Passed by three fourth's majority
20-09-2013	Nil	Nil
10-08-2012	Nil	Nil

XIII.B Details of Special Resolutions passed at the previous Extra Ordinary General Meeting:

Date of EOGM	Details of Special Resolution/s passed	Remarks
19-09-2014	For obtaining the consents of the shareholders for sub division of equity shares of the Company from the face value of Rs.10 to Rs.2 each, Alternation of Authorised Share Capital of the Company, Substitution of Article No. 4 of the Articles of Association of the Company, Acceptance of Fixed Deposits and adoption of new set of Articles of Association of the Company conforming to the Companies Act, 2013.	Passed by three fourth's majority

XIV. Disclosures:

During the year under review, there were material significant transactions entered into by the Company with its Promoters, but no material transactions with Independent Directors or relatives etc. that may have a potential conflict with the interest of the Company.

There were no instances of non-compliance or penalty, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges.

The Company does not have any material non-listed Indian subsidiary company and hence, it is not required to have an Independent Director of the Company on the Board of such subsidiary company. However, in the interest of good governance, during the year, the Board of Directors of the Company have nominated an Independent Director on the Board of RIECO Industries Limited and Prescient Color Limited. The Audit Committee also reviews presentation made on significant issues in audit, internal control, risk management, etc. relating to subsidiaries.

In terms of the Whistle Blower Policy, it is affirmed that no personnel has been denied access to the Audit Committee.

The minutes of the meetings of the Board of Wholly Owned Subsidiary Companies i.e. Prescient Color Limited, RIECO Industries Limited, Sudarshan CSR Foundation, Sudarshan Europe B.V. and Sudarshan North America Inc., wholly owned subsidiary of Sudarshan Europe B.V. and first level step down subsidiary of Sudarshan were tabled before the Board at respective Board meetings and noted.

Except for the constitution of Nomination and Remuneration Committee, other non-mandatory requirements under Clause 49 of the listing agreement have not been adopted.

XV. Secretarial Audit:

M/s Rajesh Karunakaran & Co, Company Secretaries, Pune has been entrusted with the task of discharging the following :

- to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and the total issued and listed capital. The audit report submitted to the Board confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

- (b) to carry out audit of secretarial records of the Company for the Financial Year 2014-15 pursuant to Section 204 of the Companies Act, 2013 and to issue certificate to that effect. Certificate issued by PCS vide Form No. MR-3 is annexed to the Report of the Board of Directors as **Annexure VIII**.

XVI. Means of Communication:

The Quarterly, Half-Yearly, Nine Monthly (Unaudited) and Yearly Consolidated Audited financial results of the Company are announced / published within the prescribed time period stipulated under the listing agreement. These financial results are ordinarily published in The Economic Times - Pune & Mumbai Editions - English Newspaper, The Maharashtra Times - Pune Edition – Marathi Newspaper, The Financial Express - Pune & Mumbai Editions - English Newspaper, The Loksatta - Marathi Newspaper, Pune Edition.

The Company also displays all unaudited / audited financial results, any major announcements, decisions, Press releases or significant developments on its website **www.sudarshan.com**

In terms of SEBI Circular the Company has designated an e-mail address - **grievance.redressal@sudarshan.com** for enabling investors to post their grievances and to enable timely action on investor grievances, if any. Members are requested to forward their grievances, if any, at the designated e-mail address.

Shareholders / Investors are requested to access the Shareholder Referencer - “Investor Guide” which is being sent to you separately. Also the same is posted on the Company’s website **www.sudarshan.com** to get an insight of how the system works and procedures involved.

XVII. Shareholders Information:

Shareholders information is separately provided in the Annual Report.

CFO Certification:

The Vice Chairman and Managing Director and the Acting CFO give an annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The Vice Chairman and Managing Director and the Acting CFO also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement. The annual certificate given by the Vice Chairman and Managing Director and the Acting CFO is published as **Annexure I** to this Report.

Compliance Certificate of the Auditors

Certificate from B.K.Khare & Co., Statutory Auditors confirming compliance with conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is attached as **Annexure II** to this Report.

XVII. Code of Conduct:

The Board has laid down a Code of Conduct for all members of the Board and Senior Management consisting of members of the Corporate Executive Committee and other Employees / Executives of the Company. The Code of Conduct is posted on the Company's website **www.sudarshan.com**

All the members of the Board and Senior Management personnel have affirmed compliance with the Code of Conduct of the Company for the period from 1st April, 2014 to 31st March, 2015. The declaration dated 2nd May, 2015 received from Mr. P.R.Rathi, Vice Chairman and Managing Director in this regard is given below:

“I hereby declare that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the period from 1st April, 2014 to 31st March, 2015.”

For and on behalf of the Board of Directors
For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

Pune : 27th May, 2015

K.L.RATHI
CHAIRMAN

ANNEXURE I

**CERTIFICATE OF VICE CHAIRMAN AND MANAGING DIRECTOR AND
DY. GENERAL MANAGER (FINANCE)- ACTING CFO**

To,

The Board of Directors,
Sudarshan Chemical Industries Limited
162 Wellesley Road,
Pune 411 001

In respect of Audited Results of the Company for the Year ended 31st March, 2015, we hereby certify that:

- A. We have reviewed Financial Statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief :
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We have established and are maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee that there are no deficiencies in the design or operation of such internal controls of which we are aware.
- D. We have indicated to the auditors and the Audit committee that:
- i. There are no significant changes in internal control over financial reporting during the year;
 - ii. There are no significant changes in accounting policies during the year; and
 - iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

P. R. Rathi
Vice Chairman and Managing Director

V. V. Thakur
Dy. General Manager (Finance)
Acting CFO

Pune : 27th May, 2015.

ANNEXURE II

AUDITORS' CERTIFICATE

To the Members of Sudarshan Chemical Industries Limited

We have examined the compliance of conditions of Corporate Governance by Sudarshan Chemical Industries Limited (the Company) for the year ended on 31st March, 2015 as stipulated in Cause 49 of the Listing Agreement of the Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us:

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We 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 B. K. Khare and Co.
Chartered Accountants
Firm Registration No. : 105102W

Naresh Kumar Kataria
Partner
Membership No.037825

Pune : 27th May, 2015

SHAREHOLDERS INFORMATION

1. Annual General Meeting :

Day and Date	Friday, 14th August, 2015
Time	11.30 A.M.
Venue	Sumant Moolgaokar Auditorium, A-Wing, Ground Floor, Mahratta Chamber of Commerce, Industries And Agriculture, ICC Complex, Senapati Bapat Marg, Pune 411 016.

2. Financial Calendar (Tentative) :

April 2015 to March 2016

Sr.No.	Particulars of Meetings	Date
1	Audited Financial Results for the year ended 31 st March, 2015	27 th May, 2015
2	Unaudited Quarterly Results for the Quarter ended 30 th June, 2015.	14 th August, 2015
3	64 th Annual General Meeting	14 th August, 2015
4	Unaudited Quarterly Results for the Quarter ended 30 th September, 2015.	31 st October, 2015
5	Unaudited Quarterly Results for the Quarter ended 31 st December, 2015.	30 th January, 2016
6	Unaudited Quarterly Results for the Quarter ended on 31 st March, 2016 / Audited Annual Results for the year ended on 31 st March, 2016.	27 th May, 2016

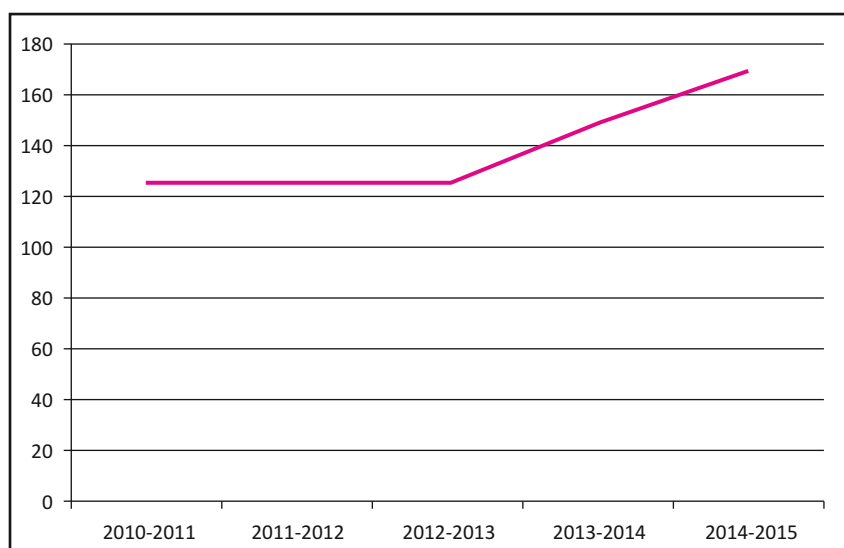
3. Date of Book Closure :

01/08/2015 to 14/08/2015 (both days inclusive).

4. Dividend payment date:

The Board of Directors at its meeting held on 27th May, 2015 have recommended dividend of Rs. 1.75 per equity share (@87.50%) on a face value of Rs. 2 for the year Financial Year ended 31st March, 2015 subject to the approval of the shareholders in the Annual General Meeting. The dividend, if approved by the shareholders at the Annual General Meeting, will be paid on or before 12/09/2015 to those members whose names appear on the Register of Members of the Company / beneficial owners as on 14/08/2015.

5. Dividend Trend for past five years:



% of Dividend paid by the Company during past five years is shown above.

6. Listing on Stock Exchanges & Stock Code:

Name	Code
BSE Limited	506655
The National Stock Exchange of India Limited	Sudarschem

The International Security Identification Number (ISIN) for Company's equity shares registered with NSDL and CDSL is INE659A01023.

The Company has paid the Annual Listing fees in respect of BSE Limited and The National Stock Exchange of India Limited for the Financial Year 2015-2016.

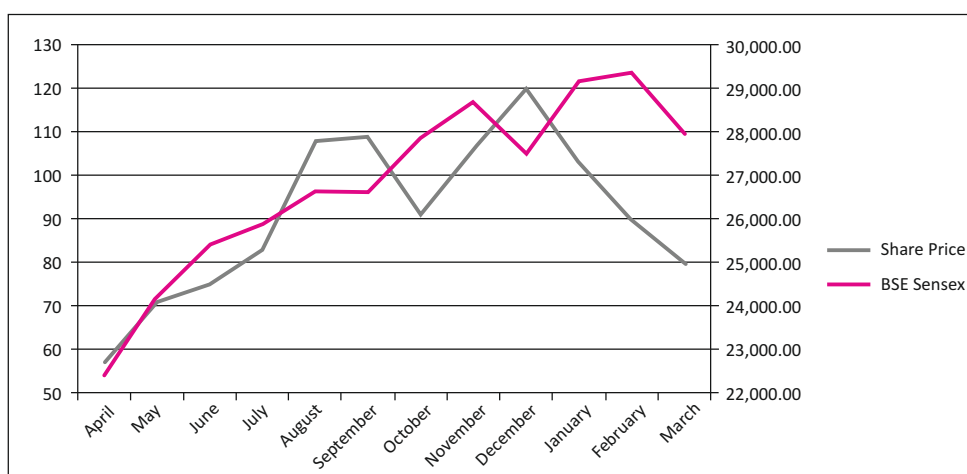
7. Stock Prices:

	BSE Limited		National Stock Exchange of India Limited	
Month	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2014	600.00	508.95	605.00	510.00
May, 2014	761.00	560.00	760.00	565.10
June, 2014	760.00	694.00	760.00	660.00
July, 2014	870.00	665.00	876.00	670.00
August, 2014	1238.75	825.00	1245.00	802.00
September, 2014	1233.00	108.75	1394.00	109.00
October, 2014*	113.70	77.15	113.70	81.90
November, 2014	120.60	86.80	120.70	86.00
December, 2014	133.40	104.70	133.15	104.60
January, 2015	124.90	102.50	124.90	90.00
February, 2015	108.95	89.20	109.00	88.90
March, 2015	94.50	77.10	94.90	76.15

(Source: BSE and NSE - Websites)

* Corporate Action pertaining to sub-division of Equity Shares and Issue of Bonus Shares was completed due to which the price of equity shares were adjusted at BSE and NSE accordingly.

Comparison of Sudarshan share price with BSE Sensex - April, 2014 to March, 2015:



Note : In view of the Stock Split and Bonus Issue of shares during October 2014, the previous monthly share prices for the Financial Year 2014 – 15 have been recast to make it comparable with the changes in the face value of shares from Rs.10 to Rs.2 per share.

8. Registrar and Transfer Agents:

Link Intime India Private Limited, Pune is acting as Company's Registrar and Transfer Agents to take care of all share related work including giving electronic credit of dematerialized shares of the Company. All share related matters are handled under the supervision of Mr. P.S.Raghavan Company Secretary who is also the Compliance Officer under the Listing Agreement.

9. Share Transfer System:

The Board has constituted a Share Transfer Committee for expeditious transfer of shares. The shares lodged with the Company and complete in all respects are usually transferred within a period of three weeks from the date of lodgment.

10. Distribution of shareholding:

(As on 31st March, 2015)

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1 – 3000	14,769	94.75	7,666,340	11.07
3001 – 5000	359	2.30	1,498,948	2.17
5001 & Above	460	2.95	60,061,962	86.76
Total	15,588	100.00	69,227,250	100.00

11. Shareholding pattern:(As on 31st March, 2015)

Category	No. of shares held	% to total paid up share capital
Rathi Promoter Group	36,616,260	52.89
Foreign Companies / NRI's / Foreign Individuals	9,200,117	13.29
FII's / Financial Institutions / Banks / Insurance Companies / Mutual Funds / UTI	402,598	0.58
Corporate Bodies	1,296,349	1.87
Non Promoter Directors / Resident Individuals	21,711,926	31.37
Total	69,227,250	100 .00

12. Dematerialization of shares and liquidity:

The Company's shares are presently traded on the BSE and NSE in dematerialized form.

100% Promoters share holding is held in dematerialized form.

As on 31st March, 2015, 92.74 % of the total shareholding in the Company is held in dematerialized form which includes the promoters shareholding of 52.89%.

13. Outstanding GDRs / ADRs / Warrants and other Convertible instruments, conversion dates and likely impact on equity:

Not applicable as not issued.

14. Plant locations:

Location	Address
Roha	46 MIDC Estate, Dhatav, Roha 402 116, Dist Raigad
Mahad	Plot No. A-19/1+2, MIDC Estate, Mahad 402 301, Dist. Raigad
Ambadvet (Sutarwadi)	R&D Laboratory, Ambadvet (Sutarwadi), Dist. Pune

15. Address for Correspondence:

- (1) The Company Secretary
Sudarshan Chemical Industries Limited,
162 Wellesley Road,
Pune: 411 001
Tel No. : 020-26226200
Email: grievance.redressal@sudarshan.com
- (2) Link Intime India Private Limited
"Akshay Complex"
Block No. 202, 2nd Floor,
Off Dhole Patil Road,
Near Ganesh Temple,
Pune : 411 001
Tel.No.: 020-26160084, 020-26161629
Telefax : 020-26163503
E-mail : pune@linkintime.co.in

Disclosure under Regulation 10(1)(a)(ii) of the Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011:

Persons named as Promoters in the shareholding pattern filed by the Company pursuant to Clause No.35 of the Listing Agreement with the Stock Exchanges where the equity shares of the Company is listed.

1) Mrs. Kusum Ramwilas Rathi 2) Mr. Pradeep Ramwilas Rathi 3) Mrs. Subhadra Pradeep Rathi 4) Mr. Rahul Pradeep Rathi 5) Mr. Balkrishna Jagannath Rathi (HUF) 6) Mrs. Kusum Balkrishna Rathi 7) Mr. Ajay Balkrishna Rathi 8) Mr. Ajay Balkrishna Rathi (HUF) 9) Mr. Ajay Balkrishna Rathi, Trustee of Manan Rathi Trust 10) Mrs. Nisha Ajay Rathi 11) Mr. Rajesh Balkrishna Rathi 12) Mr. Rajesh Balkrishna Rathi (HUF) 13) Mr. Rajesh Balkrishna Rathi, Trustee of Shri. Balkrishna Rathi Family Trust 14) Mr. Rajesh Balkrishna Rathi, Trustee of Sow Rachana Rathi Family Trust 15) Mrs. Rachana Rajesh Rathi 16) Mr. Kishor Laxminarayan Rathi 17) Mrs. Aruna Kishor Rathi 18) Mr. Rohit Kishor Rathi 19) Mr. Narayandas Jagannath Rathi 20) Mr. Anuj Narayandas Rathi 21) Mr. Anuj Narayandas Rathi (HUF) 22) Mrs. Archana Anuj Rathi 23) Balkrishna Rathi Finance Private Limited 24) Laxminarayan Finance Private Limited 25) NJR Finance Private Limited.

INDEPENDENT AUDITORS' REPORT

To the Members of Sudarshan Chemical Industries Limited

Report on the Financial Statements

1. We have audited the accompanying Financial Statements of Sudarshan Chemical Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, and the Statements of Profit and Loss and Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 (as amended). 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

3. Our responsibility is to express an opinion on these Financial Statements based on our audit.
4. 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.
5. 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.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Financial Statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

8. 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 purpose of our audit;
- b. in our opinion, proper books of accounts 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 Cash Flow dealt with by this Report are in agreement with the books of accounts;
- d. 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 (as amended);
- e. on the basis of written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements - Ref. Note No. 3(i) of Note No. 29 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 B. K. Khare and Co.
Chartered Accountants
Firm Registration No. : 105102W

Naresh Kumar Kataria
Partner
Membership No.037825

Pune : 27th May, 2015

ANNEXURE TO THE AUDITORS' REPORT

Annexure to the Auditor's Report referred to in paragraph 9 of Report on Other Legal and Regulatory Requirements in our report of even date:

- i.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed to us no material discrepancies as compared to book records were noticed on assets verified during the year.
- ii.
 - a) As explained to us, the inventory was physically verified during the year by the Management. In our opinion, the frequency of the verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of accounts.
- iii. The Company has granted unsecured loan to two wholly owned subsidiary companies covered in the register maintained under Section 189 of the Act.
 - a) In respect of the aforesaid loan, the party is repaying the principal amount, as stipulated, and is also regular in payment of interest as applicable.
 - b) In respect of the aforesaid loan, there is no overdue amount more than Rupees One Lac
- iv. In our opinion and according to the information and explanations given to us, having regard to the explanation that, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
- vi. We have broadly reviewed the books of account maintained by the Company in respect of a products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii.
 - a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Service Tax Dues relating to a company acquired during the year, the Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Duty of Customs, Duty of Excise, Value Added Tax and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of service tax outstanding as at 31st March 2015 Rs. 4,255,974, for a period of more than six months from the date they became payable. The said arrears have since been paid.
 - b) According to the information and explanations given to us and records of the Company examined by us, particulars of dues of Sales Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of disputes are as under:

Name of the Statute	Nature of Dues	Amount (Rs.)	Financial Years to which it pertains	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty	17,669,029	2004-05 to 2014-15	Assistant Commissioner of Central Excise
The Central Excise Act, 1944	Excise Duty	4,264,193	2004-05 to 2011-12	Custom, Excise & Service Tax Appellate Tribunal
The Central Excise Act, 1944	Excise Duty	140,238	2012-13 and 2014-15	Superintendent of Central Excise
Maharashtra VAT Act, 2002	VAT	11,473,731	2006-07 to 2010-11	Joint Commissioner of Sales Tax (Appeal 01)
Tamil Nadu VAT Act, 2006	VAT	623,691	2003-04	Assistant Commissioner, Commercial Tax Department Coimbatore
Andhra Pradesh VAT Act, 2005	VAT	826,015	2007-08	Assistant Commissioner, Commercial Tax Department (LTU)
Karnataka VAT Act, 2003	VAT	76,959	2008-09	The Commercial Tax Inspector, Commercial Tax Check Post
TOTAL		35,073,856		

- c) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder.
- viii. The Company has no accumulated losses as at the end of the Financial Year and it has not incurred any cash losses in the Financial Year ended on that date and in the immediately preceding Financial Year.
- ix. Based on the records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the Balance Sheet date.
- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions, except for the corporate guarantees issued on behalf of its wholly owned subsidiary Sudarshan Europe B.V amounting to EURO 3 Million and its step down subsidiary Sudarshan North America, Inc. amounting to USD 3 Million. The terms and conditions of the said guarantees are not prejudicial to the interest of the Company.
- xi. Based on the records examined by us and according to the information and explanations given to us, during the year, term loans were applied for the purpose for which the loans were obtained.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For B. K. Khare and Co.
Chartered Accountants
Firm Registration No. : 105102W

Naresh Kumar Kataria
Partner
Membership No.037825

Pune : 27th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	138,454,500	69,227,250
(b) Reserves and Surplus	2	2,664,137,268	2,964,394,151
		2,802,591,768	3,033,621,401
(2) Non-current Liabilities			
(a) Long-term borrowings	3	1,555,977,806	1,768,647,057
(b) Deferred tax liabilities (Net)	4	361,492,971	348,158,093
(c) Other long-term liabilities	5	28,173,008	27,793,708
(d) Long-term provisions	6	63,795,519	54,708,024
		2,009,439,304	2,199,306,882
(3) Current Liabilities			
(a) Short-term borrowings	7	1,481,689,442	1,469,851,666
(b) Trade payables	8	1,558,954,377	1,074,913,462
(c) Other current liabilities	9	932,140,588	1,091,293,956
(d) Short-term provisions	10	221,189,786	172,437,187
		4,193,974,193	3,808,496,271
Total		9,006,005,265	9,041,424,554
II. ASSETS			
(1) Non-current Assets			
(a) Fixed assets			
(i) Tangible assets	11	2,925,752,895	3,030,558,283
(ii) Intangible assets	12	165,993,313	126,762,925
(iii) Capital work-in-progress		74,941,306	62,871,647
(b) Non-current investments	13	492,862,112	292,762,112
(c) Long-term loans and advances	14	223,506,124	202,567,097
(d) Other non-current assets	15	-	2,500,000
		3,883,055,750	3,718,022,064
(2) Current Assets			
(a) Inventories	16	1,726,253,563	2,113,438,730
(b) Trade receivables	17	2,709,449,446	2,645,502,948
(c) Cash and cash equivalents	18	178,124,676	121,305,176
(d) Short-term loans and advances	19	438,412,114	353,171,729
(e) Other current assets	20	70,709,716	89,983,907
		5,122,949,515	5,323,402,490
Total		9,006,005,265	9,041,424,554
See accompanying Notes to The Financial Statements	29		

The accompanying notes form an integral part of The Financial Statements.

As per our report of even date.

For and on behalf of the Board of Directors

For B.K.KHARE & Co.
Chartered Accountants
Firm Regn. No.:105102W

K.L.RATHI
Chairman

P.R.RATHI
Vice-Chairman &
Managing Director

V.V.THAKUR
Deputy General
Manager - Finance
(Acting CFO)

NARESH KUMAR KATARIA
Partner
Membership No.:037825

R.B.RATHI
Deputy
Managing Director

N.J.RATHI
Director

P.S.RAGHAVAN
Company Secretary

Pune : 27th May, 2015

Pune : 27th May, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No.	Current Year Rs.	Previous Year Rs.
I. Revenue from operations	21	11,693,338,907	11,037,434,065
Less : Excise duty		810,400,819	770,932,129
		10,882,938,088	10,266,501,936
II. Other Income	22	230,296,647	47,283,831
III. Total Revenue (I + II)		11,113,234,735	10,313,785,767
IV. Expenses :			
Cost of materials consumed	23	6,391,076,445	5,710,391,115
Cost of goods traded	24	320,869,347	313,382,734
Changes in inventories of finished goods and work-in-progress	25	(48,100,405)	51,847,736
Employee benefit expense	26	752,555,140	644,559,015
Finance costs	27	328,134,417	375,966,364
Depreciation and amortization expense (Ref. Note No.27 of Note No 29)	11, 12	397,525,860	353,515,197
Other expenses	28	2,374,963,432	2,315,848,997
Total Expenses		10,517,024,236	9,765,511,158
V. Profit / (Loss) before exceptional, extraordinary items and tax (III - IV)		596,210,499	548,274,609
VI. Exceptional Items		-	-
VII. Profit / (Loss) before extraordinary items and tax (V - VI)		596,210,499	548,274,609
VIII. Extraordinary Items		-	-
IX. Profit / (Loss) before tax (VII - VIII)		596,210,499	548,274,609
X. Tax expense :			
(1) Current Tax		124,622,129	116,300,000
(2) MAT Credit (Entitlement) / Utilised (Net)		28,600,000	(8,100,000)
(3) Deferred Tax		18,915,529	95,896,932
Total Tax Expense		172,137,658	204,096,932
XI. Profit / (Loss) for the period from continuing operations		424,072,841	344,177,677
XII. Profit / (Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit / (Loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XV. Profit / (Loss) for the period (XI + XIV)		424,072,841	344,177,677
XVI. Earnings per equity share, Basic and Diluted (Rs. Per Equity Share of Rs. 2 each) (Ref. Note No. 23 of Note No. 29)		6.13	4.97
See accompanying Notes to The Financial Statements	29		

The accompanying notes form an integral part of The Financial Statements.

As per our report of even date.

For and on behalf of the Board of Directors

For B.K.KHARE & Co.
Chartered Accountants
Firm Regn. No.:105102W

K.L.RATHI
Chairman

P.R.RATHI
Vice-Chairman &
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Deputy
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N.J.RATHI
Director

P.S.RAGHAVAN
Company Secretary

Pune : 27th May, 2015

Pune : 27th May, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	March 31, 2015 Rs.	March 31, 2014 Rs.
Cash flow from operating activities		
Profit / (Loss) before tax from operations	596,210,499	548,274,609
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / amortization	397,525,860	353,515,197
Loss / (Profit) on sale or write off of fixed assets	1,941,698	13,233,742
Unrealized foreign exchange Loss / (Gain)	(7,337,983)	9,767,802
Provision for doubtful debt	9,813,428	(464,773)
Provision for doubtful advances	-	3,000,000
Interest expense	328,134,417	375,966,364
Interest income	(19,828,501)	(16,217,399)
Operating profit before working capital changes	1,306,459,418	1,287,075,542
Movements in working capital :		
Increase / (decrease) in trade payables	482,434,117	65,984,365
Increase / (decrease) in long-term provisions	9,087,495	1,836,942
Increase / (decrease) in short-term provisions	24,426,616	2,191,892
Increase / (decrease) in other current liabilities	92,094,434	46,363,536
Increase / (decrease) in other long-term liabilities	379,300	(17,452)
Decrease / (increase) in trade receivables	(50,728,649)	(655,967,832)
Decrease / (increase) in inventories	(111,264,833)	(254,866,464)
Decrease / (increase) in long-term loans and advances	(41,130,317)	(3,264,381)
Decrease / (increase) in short-term loans and advances	(85,240,385)	485,689,908
Decrease / (increase) in other current assets	38,103,139	(37,196,476)
Decrease / (increase) in other non-current assets	2,500,000	500,000
Cash generated from / (used in) operations	1,667,120,335	938,329,580
Direct taxes paid	(142,275,000)	(110,000,000)
Net cash flow from / (used in) operating activities (A)	1,524,845,335	828,329,580
Cash flows from investing activities :		
Purchase of fixed assets, including intangible assets, CWIP and Capital advances	(514,184,250)	(274,968,023)
Proceeds from sale of fixed assets	3,097,687	5,031,407
Proceeds of non-current investments	10,000,000	1,000,000
Investment in Subsidiaries	(210,100,000)	(41,922,500)
Investments in bank deposits (Having original maturity of more than three months) (Net)	1,682,136	17,996,944
Interest received	999,553	17,064,493
Net cash flow from / (used in) investing activities (B)	(708,504,874)	(275,797,679)
Cash flows from financing activities :		
Proceeds from long-term borrowings	1,196,817,916	446,575,183
Repayment of long-term borrowings	(1,514,878,421)	(624,774,377)
Proceeds from short-term borrowings (Net)	10,345,276	25,650,765
Interest paid	(328,634,961)	(376,480,834)
Dividend and Dividend Tax Paid	(121,488,635)	(101,240,533)
Net cash flow from / (used in) in financing activities (C)	(757,838,825)	(630,269,796)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	58,501,636	(77,737,895)
Cash and cash equivalents at the beginning of the year	102,149,869	179,887,764
Cash and cash equivalents at the end of the year	160,651,505	102,149,869
Components of cash and cash equivalents		
Cash on hand	1,766,511	2,025,576
With banks :		
on current account	67,071,330	97,118,611
on deposit account	88,316,736	-
unclaimed dividend accounts*	3,496,928	3,005,129
Lien Account	-	553
Total cash and cash equivalents (Ref. Note No. 18)	160,651,505	102,149,869

Notes :

1) The above Cash Flow Statement have been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement, prescribed under Section 133 of the Companies Act, 2013.

2) Previous year's figures have been regrouped wherever necessary to conform to the current year classification.

* The Company can utilise these balances only towards settlement of the respective unpaid dividend.

The accompanying notes form an integral part of The Financial Statements.

As per our report of even date.

For and on behalf of the Board of Directors

For B.K.KHARE & Co.
Chartered Accountants
Firm Regn. No.:105102W

K.L.RATHI
Chairman

P.R.RATHI
Vice-Chairman &
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NARESH KUMAR KATARIA
Partner
Membership No.:037825
Pune : 27th May, 2015

R.B.RATHI
Deputy
Managing Director
Pune : 27th May, 2015

N.J.RATHI
Director

P.S.RAGHAVAN
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
	SHAREHOLDERS' FUNDS :		
1	SHARE CAPITAL		
	Equity Share Capital :		
	AUTHORISED :		
	75,000,000 Equity Shares of Rs. 2 each (Previous Year : 8,000,000 of Rs.10 each).	<u>150,000,000</u>	<u>80,000,000</u>
	ISSUED :		
	* 69,227,750 Equity Shares of Rs. 2 each (Previous Year : 6,922,775 of Rs.10 each).	<u>138,455,500</u>	<u>69,227,750</u>
	SUBSCRIBED AND PAID-UP :		
	69,227,250 Equity Shares of Rs. 2 each (Previous Year : 6,922,725 of Rs.10 each) fully paid-up.	<u>138,454,500</u>	<u>69,227,250</u>
	* Allotment of 500 Rights Equity Shares of Rs. 2 each (Previous Year : 50 of Rs.10 each) is kept in abeyance, matter being sub-judice.		
	(a) Reconciliation of the shares outstanding at the beginning and at the end of the year :		
	At the beginning of the year	No. 6,922,725 Rs. 69,227,250	No. 6,922,725 Rs. 69,227,250
	Equity Shares of Rs.10 each are sub-divided into Rs. 2 each	34,613,625 69,227,250	- -
	Add : Bonus shares allotted during the year in the ratio 1 : 1	34,613,625 69,227,250	- -
	Less : Shares bought back during the year	- -	- -
	Outstanding at the end of the year	69,227,250 138,454,500	6,922,725 69,227,250
	(b) Terms / Rights attached to equity shares :		
	The Company has only one class of equity shares having a par value of Rs. 2 per share (Previous Year : Rs.10 each). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.		
	During the Financial Year ended 31 st March, 2015, the amount of per share proposed dividend recognised as distribution to the equity shareholders is Rs. 1.75 on equity share of Rs. 2 per share (Previous Year : Rs. 15 on equity share of Rs. 10 per share).		
	In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
	(c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates :		
	The Company does not have any holding or ultimate holding company.		
	(d) Details of shareholders holding more than 5% shares in the company :		
	Mr. Pradeep R. Rath	No. 3,823,450 % 5.52	No. 382,345 % 5.52
	Mr. Rahul P. Rath	4,754,540 6.87	475,454 6.87
	Mr. Anuj N. Rath	3,827,620 5.53	382,762 5.53
	DIC Corporation, Japan	5,579,890 8.06	557,989 8.06

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.		As at 31-03-2014 Rs.	
2	RESERVES AND SURPLUS				
	(a) CAPITAL RESERVE				
	Balance at the beginning of the year	5,044,100		5,044,100	
	Additions during the year	-		-	
	Less : Deductions during the year	-		-	
	Balance at the end of the year	<u>5,044,100</u>	<u>5,044,100</u>	<u>5,044,100</u>	5,044,100
	(b) SECURITIES PREMIUM ACCOUNT				
	Balance at the beginning of the year	132,115,000		132,115,000	
	Additions during the year	-		-	
	Less : Deductions during the year	-		-	
	Balance at the end of the year	<u>132,115,000</u>	<u>132,115,000</u>	<u>132,115,000</u>	132,115,000
	(c) REVALUATION RESERVE				
	Balance at the beginning of the year	498,450,000		498,450,000	
	Additions during the year	-		-	
	Less : Deductions during the year	498,450,000		-	
	<i>Ref. Note No. 4 of Note No. 29</i>				
	Balance at the end of the year	<u>-</u>	<u>-</u>	<u>498,450,000</u>	498,450,000
	(d) GENERAL RESERVE				
	Balance at the beginning of the year	1,604,115,720		1,544,115,720	
	Add : Transferred from Profit and Loss Account (Surplus)	60,000,000		60,000,000	
	Less : Deductions during the year -				
	Transferred to Paid - up Share Capital on issue of Bonus Shares	69,227,250		-	
	Depreciation (Net of Deferred Tax Liability Rs. 5,580,651 (Previous Year : Rs. Nil))	10,837,856		-	
	<i>Ref. Note No. 1(iv) & Note No. 27 of Note No. 29</i>				
	Balance at the end of the year	<u>1,584,050,614</u>	<u>1,584,050,614</u>	<u>1,604,115,720</u>	1,604,115,720
	(e) PROFIT AND LOSS ACCOUNT (SURPLUS)				
	Surplus at the beginning of the year	724,669,331		561,980,289	
	Add : Profit After Tax for the year	424,072,841		344,177,677	
	Less : Appropriations				
	Proposed Equity Dividend	121,147,688		103,840,875	
	Tax on Proposed Equity Dividend	24,666,930		17,647,760	
	Transferred to General Reserve	60,000,000		60,000,000	
		<u>942,927,554</u>	<u>942,927,554</u>	<u>724,669,331</u>	724,669,331
	Total ...		<u>2,664,137,268</u>		<u>2,964,394,151</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
	NON-CURRENT LIABILITIES :		
3	LONG-TERM BORROWINGS		
	(a) SECURED LOAN FROM BANKS :		
	HDFC Bank Limited	-	128,000,000
	<i>Ref. Note Nos. i) and xi) below</i>		
	Export - Import Bank of India (EXIM Bank)	170,367,306	94,652,268
	<i>Ref. Note Nos. ii), iii), viii) and xi) below</i>		
	Bank of Maharashtra	-	729,659,789
	<i>Ref. Note Nos. iv) to vii) and xi) below</i>		
	State Bank of India	933,720,500	200,000,000
	<i>Ref. Note Nos. ix) to xi) below</i>		
		1,104,087,806	1,152,312,057
	(b) UNSECURED LOAN FROM OTHERS :		
	Loans and Advances from Related Parties :		
	i) Intercompany Deposits	32,880,000	100,785,000
	<i>Ref. Note No. xii) below</i>		
	ii) Fixed Deposits		
	1) From Public	4,190,000	-
	2) From Shareholders	70,130,000	5,080,000
	<i>Ref. Note No. xiii) below and Note No. 9 of Note No. 29</i>		
	Loans and Advances from Others :		
	i) Intercompany Deposits	13,510,000	11,560,000
	<i>Ref. Note No. xii) below</i>		
	ii) Fixed Deposits		
	1) From Public	269,390,000	453,105,000
	2) From Shareholders	61,790,000	45,805,000
	<i>Ref. Note No. xiii) below and Note No. 9 of Note No. 29</i>		
		451,890,000	616,335,000
	Total ...	1,555,977,806	1,768,647,057

- i) Term Loan from HDFC Bank Limited of Rs. 36 Crores (outstanding Rs. Nil (P.Y. Rs. 128,000,000)) was taken in Financial Year 2011-12 and carries interest @ 10.70% p.a. The loan has been fully repaid during the year.
- ii) Corporate Term Loan from EXIM Bank of Rs. 15 Crores (outstanding Rs. 150,000,000 (P.Y. Rs. Nil)) was taken in Financial Year 2014-15 and carries interest @ 11.00% p.a. The loan is repayable in 16 quarterly instalments of Rs. 94 Lacs each from July 2016.
- iii) Term Loan from EXIM Bank of Rs. 36 Crores (outstanding Rs. Nil (P.Y. Rs. 60,000,000)) was taken in parts till March 31, 2012 and carries interest @ 10.85% p.a. The loan has been fully repaid during the year.
- iv) Term Loan from Bank of Maharashtra of Rs. 35 Crores (outstanding Rs. Nil (P.Y. Rs. 79,848,771)) was taken in Financial Year 2010-11 and carries interest @ 10.50% p.a. The loan is repayable in 46 monthly instalments of Rs. 73 Lacs each from March 2012 and 1 instalment is of Rs. 69 Lacs.
- v) Term Loan from Bank of Maharashtra of Rs. 42 Crores (outstanding Rs. Nil (P.Y. Rs. 251,866,043)) was taken in parts till March 31, 2012 and carries interest @ 10.90% p.a. The loan has been fully repaid during the year.
- vi) Term Loan from Bank of Maharashtra of Rs. 16.85 Crores (outstanding Rs. Nil (P.Y. Rs. 117,944,975)) was taken in Financial Year 2012-13 and carries interest @ 10.65% p.a. The loan has been fully repaid during the year.
- vii) Term Loan from Bank of Maharashtra of Rs. 42 Crores (outstanding Rs. Nil (P.Y. Rs. 280,000,000)) was taken in Financial Year 2012-13 and carries interest @ 10.40% p.a. The loan has been fully repaid during the year.
- viii) Term Loan from EXIM Bank of USD 1 Million (outstanding Rs. 20,367,306 (P.Y. Rs. 34,652,268)) was taken in parts till March 31, 2014 and carries interest @ LIBOR + 475 b.p.s. p.a. The loan is repayable in 12 quarterly instalments of USD 0.83 Lacs each from March 2014.
- ix) Corporate Term Loan from SBI of Rs. 30 Crores (outstanding Rs. 180,000,000 (P.Y. Rs. 200,000,000)) was taken in parts till March 31, 2014 and carries interest @ 10.85% p.a. The loan is repayable in 8 quarterly instalments of Rs. 250 Lacs each from June 2014.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- x) ECB Loan from SBI, Dubai, of EURO 13 Million (outstanding Rs. 753,720,500 (P.Y. Rs. Nil)) was taken in Financial Year 2014-15 and carries interest @ 3.20% p.a. The loan is repayable in 20 quarterly instalments of EURO 6.50 Lacs each from July 2015.
- xi) **Nature of Security:**
- (a) The Term Loan of Export Import Bank of India (EXIM Bank) of Rs. 15 Crores is secured by a First Pari Passu Charge by way of hypothecation of the entire movable fixed assets both present and future situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune and further to be secured by way of mortgage by First Pari Passu Charge over the entire fixed assets including immovable properties of the Company situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune
- (b) The Foreign Currency Term Loan of USD 1.00 Million (Rs.5.50 Crores approx.) from Import Export Bank of India (EXIM Bank) is secured by a First Pari Passu Charge on the entire fixed assets of the Company. Also the said Foreign Currency Loan is secured by a mortgage charge on the immovable properties of the Company situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune.
- (c) The Corporate Loan of Rs. 30 Crores from State Bank of India (SBI), Pune is secured a First Pari Passu Charge on the movable fixed assets and current assets of the Company. Also the said Corporate Loan is secured by a mortgage charge on the immovable properties of the Company situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune.
- (d) The External Commercial Borrowing (ECB) of Euros 13 Million (Equivalent Indian Rs.110 Crores) from State Bank of India (SBI), D.I.F.C., Dubai, U.A.E. is secured by a First Pari Passu Charge on all the movable fixed assets both present and future situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune and further secured by way of Supplemental Deed of Mortgage by First Pari Passu Charge on the immovable properties of the Company situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune
- (e) The Term Loan of Bank of Maharashtra of Rs. 35 Crores is secured by a First Pari Passu Charge by way of hypothecation of the entire movable fixed assets both present and future situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune and further to be secured by way of mortgage by First Pari Passu Charge over the entire fixed assets including immovable properties of the Company situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune
- xii) Intercompany Deposits are accepted for period of 3 years. Rate of Interest is 10.25% p.a.
- xiii) Fixed Deposits are accepted for period of 3 years. Rate of Interest is 10.25% p.a.
- xiv) Above borrowings maturing within 12 months are disclosed in Note No. 9 (a).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
4	DEFERRED TAX LIABILITIES (NET)		
	Deferred Tax Liabilities :		
	Depreciation	386,961,912	368,362,634
		386,961,912	368,362,634
	Deferred Tax Assets :		
	Expenditure accrued, allowable on actual payment	25,468,941	20,204,541
		25,468,941	20,204,541
	Deferred Tax Liabilities (Net)	361,492,971	348,158,093
	<i>Ref. Note No. 1 (xiii) of Note No. 29</i>		
5	OTHER LONG-TERM LIABILITIES		
	Security Deposits	28,173,008	27,793,708
	Total ...	28,173,008	27,793,708
6	LONG-TERM PROVISIONS		
	PROVISION FOR POST RETIREMENT BENEFITS :		
	Pension	63,795,519	54,708,024
	<i>Ref. Note No.1 (xii) and Note No. 6 (A) 2 (a) of Note No. 29</i>		
	<i>For Current maturity Ref. Note No. 10 (a)</i>		
	Total ...	63,795,519	54,708,024

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
	CURRENT LIABILITIES :		
7	SHORT-TERM BORROWINGS		
	LOANS REPAYABLE ON DEMAND :		
	FROM BANKS -		
	(a) SECURED LOANS :		
	Working Capital Borrowings	530,695,752	977,351,666
	Ref. Note Nos. i) to xii) below		
	(b) UNSECURED LOANS :		
	Short-Term Loans	950,993,690	492,500,000
	Ref. Note Nos. xiii) to xx) below		
	Total ...	1,481,689,442	1,469,851,666

- i) Working Capital Loan (Cash Credit) Rs. 67,145,843 (P.Y. Rs. 266,263,384) from Bank of Maharashtra carries interest @ 11.25% p.a.
- ii) Working Capital Loan (Cash Credit) Rs. 106,003,454 (P.Y. Rs. 434,035,188) from State Bank of India carries interest @ 11.25% p.a.
- iii) Working Capital Loan (Cash Credit) Rs. 2,459,563 (P.Y. Rs. 4,088,703 (Debit)) from Bank of Baroda carries interest @ 11.25% p.a.
- iv) Working Capital Loan (Cash Credit) Rs. 32,560,525 (P.Y. Rs. 10,723,487) from HDFC Bank Limited carries interest @ 13.00% p.a.
- v) Working Capital Loan (Cash Credit) Rs. 52,368,389 (P.Y. Rs. 103,459,971) from ICICI Bank Limited carries interest @ 11.50% p.a.
- vi) Working Capital Loan (Cash Credit) Rs. 7,998,725 (Debit) (P.Y. Rs. Nil) from Vijaya Bank Limited carries interest @ 13.75% p.a.
- vii) Working Capital Loan (PCFC) Rs. 126,020,000 (P.Y. Rs. 90,660,000) from State Bank of India carries interest @ LIBOR + 105 b.p.s. p.a. The Loan is repayable within 90 days from the date of borrowing.
- viii) Working Capital Loan (PCFC) Rs. 58,199,835 (P.Y. Rs. Nil) from HSBC Limited carries interest @ LIBOR + 110 b.p.s. p.a. The Loan is repayable within 90 days from the date of borrowing.
- ix) Working Capital Loan (EPC) Rs. Nil (P.Y. Rs. 76,298,339) from HSBC Limited carries interest @ 10.10% p.a. The Loan is repayable within 180 days from the date of borrowing.
- x) Working Capital Loan (EPC) Rs. 30,000,000 (P.Y. Rs. Nil) from HDFC Bank Limited carries interest @ 10.00% p.a. The Loan is repayable within 180 days from the date of borrowing.
- xi) Working Capital Loan (Packing Credit (Post-shipment)) Rs. 63,936,868 (P.Y. Rs. Nil) from Bank of Maharashtra carries interest @ LIBOR + 215 b.p.s. p.a. The Loan is repayable within 90 days from the date of borrowing.
- xii) **Nature of Security :**
Working Capital Borrowings from Bank of Maharashtra led Consortium Banks consisting of Bank of Maharashtra, State Bank of India, Bank of Baroda, ICICI Bank Limited, HDFC Bank Limited and The Hong Kong and Shanghai Banking Corporation Limited are secured by a First Charge on the Current Assets of the Company viz. stock-in-trade, book debts, receivables and raw materials. These are further secured by second charge on the immovable properties of the Company situated at Roha, Mahad, Dist. Raigad and Ambadvet (Sutarwadi), Amralewadi, Dist. Pune by creation of a joint registered mortgage.
- xiii) Working Capital Loan (EPC) Rs. 60,000,000 (P.Y. Rs. Nil) from Citibank N.A. carries interest @ 9.60% p.a. The Loan is repayable within 180 days from the date of borrowing.
- xiv) Short-Term Loan Rs. 400,000,000 (P.Y. Rs. Nil) from State Bank of India carries interest @ 10.25% p.a. The Loan is repayable within 90 days from the date of borrowing.
- xv) Short-Term Loan Rs. Nil (P.Y. Rs. 250,000,000) from Bank of Maharashtra carries interest @ 10.65% p.a. The Loan is repayable within 90 days from the date of borrowing.
- xvi) Short-Term Loan Rs. 70,000,000 (P.Y. Rs. 82,500,000) from HSBC Limited carries interest @ 9.85% p.a. The Loan is repayable within 90 days from the date of borrowing.
- xvii) Short-Term Loan Rs. 200,000,000 (P.Y. Rs. 80,000,000) from Bank of Baroda carries interest @ 10.25% p.a. The Loan is repayable within 90 days from the date of borrowing.
- xviii) Short-Term Loan Rs. 60,000,000 (P.Y. Rs. 80,000,000) from HDFC Bank Limited carries interest @ 10.00% p.a. The Loan is repayable within 90 days from the date of borrowing.
- xix) Buyer's Credit Loan in INR Rs. 49,532,301 (P.Y. Rs. Nil) from HSBC Limited carries interest @ 10.10% p.a. The Loan is repayable within 180 days from the date of borrowing.
- xx) Buyer's Credit Loan Rs. 111,461,389 (P.Y. Rs. Nil) from HDFC Bank Limited carries interest @ LIBOR + 106 b.p.s. p.a. The Loan is repayable within 180 days from the date of borrowing.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
8	TRADE PAYABLES		
	(a) Other than acceptances <i>Ref. Note No. 7 of Note No. 29</i>	1,248,405,905	831,293,214
	(b) Acceptances	310,548,472	243,620,248
	Total ...	<u>1,558,954,377</u>	<u>1,074,913,462</u>
9	OTHER CURRENT LIABILITIES		
	(a) Current maturities of long-term debt : <i>For non-current maturities Ref. Note No. 3</i>		
	- Secured Loans from Banks :		
	HDFC Bank Limited	-	96,000,000
	Export - Import Bank of India (EXIM Bank)	88,503,332	130,146,666
	Bank of Maharashtra	79,848,771	310,302,000
	State Bank of India	193,009,500	100,000,000
	<i>For security & other terms Ref. Note Nos. i) to xi) of Note No. 3</i>		
	- Unsecured Loans :		
	Loans and Advances from Related Parties :		
	i) Intercompany Deposits <i>Ref. Note No. xii) of Note No. 3</i>	70,975,000	4,475,000
	ii) Fixed Deposits		
	1) From Public	-	5,100,000
	2) From Shareholders	-	6,980,000
	<i>Ref. Note No. xiii) of Note No. 3 and Note No. 9 of Note No. 29</i>		
	Loans and Advances from Others :		
	i) Intercompany Deposits <i>Ref. Note No. xii) of Note No. 3</i>	9,550,000	15,000,000
	ii) Fixed Deposits		
	1) From Public	-	33,630,000
	2) From Shareholders	-	4,405,000
	<i>Ref. Note No. xiii) of Note No. 3 and Note No. 9 of Note No. 29</i>		
	(b) Interest accrued but not due on borrowings :	-	500,544
	(c) Liability towards Investor Education and Protection Fund : (Under Section 125 of the Companies Act, 2013)		
	Unclaimed Dividend	3,496,928	3,005,129
	Unclaimed Matured Fixed Deposits <i>Ref. Note No. 9 of Note No. 29</i>	-	1,015,000
	(d) Other payables :		
	Statutory Dues	95,296,880	76,200,867
	Other Liabilities <i>Ref. Note No. 29 of Note No. 29</i>	388,914,575	302,303,612
	Creditors for Capital Goods	2,545,602	2,230,136
	Total ...	<u>932,140,588</u>	<u>1,091,293,956</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
10	SHORT-TERM PROVISIONS		
	(a) PROVISION FOR POST RETIREMENT BENEFITS :		
	Short-Term Compensated Absences <i>Ref. Note No. 1 (xii) of Note No. 29</i>	52,381,645	46,020,976
	Pension <i>Ref. Note No. 1 (xii) & Note No. 6 (A) 2 (a) of Note No. 29</i> <i>For Non-current maturity Ref. Note No. 6</i>	5,447,702	4,927,576
	Gratuity <i>Ref. Note No. 1 (xii) & Note No. 6 (A) 1 (c) of Note No. 29</i>	17,545,821	-
	(b) OTHERS :		
	i) Proposed Equity Dividend	121,147,688	103,840,875
	ii) Dividend Distribution Tax	24,666,930	17,647,760
	Total ...	221,189,786	172,437,187

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NON-CURRENT ASSETS :

FIXED ASSETS

Note No.	Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		Balance As on 01-04-2014 Rs.	Additions Rs.	Deductions / Changes Rs.	Balance As on 31-03-2015 Rs.	For the Year Rs.	Deductions / Changes Rs.	Balance As on 31-03-2015 Rs.	Balance As on 31-03-2014 Rs.
11	TANGIBLE ASSETS :								
	FREEHOLD LAND*	29,673,288 (29,673,288)	71,550,000	-	101,223,288 (29,673,288)	-	-	101,223,288 (29,673,288)	29,673,288 (29,673,288)
	LEASEHOLD LAND	12,740,447 (12,740,447)	3,387,300	-	16,127,747 (12,740,447)	149,890 (145,999)	-	13,803,454 (10,566,044)	10,566,044 (10,712,043)
	BUILDINGS**	670,799,472 (553,921,494)	27,344,350 (116,877,978)	24,291,964	673,851,858 (670,799,472)	22,014,779 (17,648,313)	-	477,774,576 (496,736,969)	496,736,969 (397,507,304)
	PLANT & MACHINERY**	4,451,501,332 (4,368,700,981)	214,016,310 (275,881,545)	104,467,938 (193,081,194)	4,561,049,704 (4,451,501,332)	322,719,030 (288,932,295)	(4,092,439) (180,146,957)	2,078,012,642 (2,295,275,739)	2,295,275,739 (2,321,260,726)
	VEHICLES	51,451,964 (45,273,380)	6,095,768 (15,671,994)	5,616 (9,493,410)	57,542,116 (51,451,964)	13,232,337 (4,269,317)	828,292 (4,326,115)	27,874,377 (34,188,270)	34,188,270 (27,952,888)
	FURNITURE & FIXTURES	40,660,426 (39,918,458)	492,330 (958,678)	(1,734,090) (216,710)	42,886,846 (40,660,426)	6,382,458 (2,363,931)	(621,493) (66,844)	15,653,365 (20,430,896)	20,430,896 (21,986,015)
	OFFICE EQUIPMENTS	15,108,788 (12,607,243)	1,128,181 (2,554,045)	(505,788) (52,500)	16,742,757 (15,108,788)	4,626,189 (621,318)	(342,784) (44,521)	5,287,441 (8,622,445)	8,622,445 (6,697,697)
	FIXED ASSETS - R&D								
	BUILDINGS**	97,268,968 (97,268,968)	3,145,269	1,487,423	98,926,814 (97,268,968)	1,358,127 (3,290,042)	-	80,279,946 (79,980,227)	79,980,227 (83,270,269)
	PLANT & MACHINERY**	132,314,677 (130,078,027)	80,968,615 (2,259,472)	3,081,353 (22,822)	210,201,939 (132,314,677)	6,766,771 (7,863,143)	-	124,589,568 (53,469,077)	53,469,077 (59,078,520)
	FURNITURE & FIXTURES	6,050,964 (6,050,964)	-	-	6,050,964 (6,050,964)	361,090 (235,841)	-	1,254,238 (1,615,328)	1,615,328 (1,851,169)
	Sub-Total	5,507,570,326 (5,296,233,250)	408,128,123 (414,203,712)	131,094,416 (202,866,636)	5,784,604,033 (5,507,570,326)	377,610,671 (325,370,199)	(4,228,424) (184,601,487)	2,925,752,895 (3,030,558,283)	3,030,558,283 (2,959,989,919)
12	INTANGIBLE ASSETS :								
	GOODWILL ON ACQUISITION OF BUSINESS	-	41,101,746	-	41,101,746	4,110,175	-	36,991,571	-
	COMPUTER SOFTWARES	43,798,884 (34,271,941)	9,919,184 (9,526,943)	-	53,718,068 (43,798,884)	6,610,326 (4,355,806)	623,199 (10,387,946)	37,342,995 (33,410,938)	33,410,938 (28,239,801)
	TECHNICAL KNOW-HOW	142,595,147 (140,963,677)	495,093 (1,631,470)	(11,681,020)	154,771,260 (142,595,147)	22,394,623 (22,722,497)	-	52,701,104 (62,919,614)	62,919,614 (84,010,641)
	REGISTRATIONS	31,572,122 (8,766,514)	15,568,633 (22,805,608)	3,824,791	43,315,964 (31,572,122)	3,218,572 (1,066,695)	-	38,957,643 (30,432,373)	30,432,373 (6,693,460)
	Sub-Total	217,966,153 (184,002,132)	67,084,656 (33,964,021)	(7,856,229) -	292,907,038 (217,966,153)	36,333,696 (28,144,998)	623,199 -	165,993,313 (126,762,925)	126,762,925 (120,943,902)
	TOTAL	5,725,536,479 (5,480,235,382)	475,212,779 (448,167,733)	123,238,187 (202,866,636)	6,077,511,071 (5,725,536,479)	413,944,367 (353,515,197)	(3,605,225) (184,601,487)	3,091,746,208 (3,157,321,208)	3,157,321,208 (3,080,993,821)

* Ref. Note No. 4 of Note No. 29 ** Ref. Note No. 26 of Note No. 29, Ref. Note No. 5, 25, 27 & 28 of Note No. 29

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
13	NON-CURRENT INVESTMENTS		
	Long-Term and Non-Trade Investments		
	(a) Investments in Equity Instruments (unquoted) :		
	Investments in Subsidiaries :		
	6,000,000 (Previous Year : 6,000,000) Equity shares of Rs. 10 each fully paid-up in Prescient Color Limited.	60,000,000	60,000,000
	28,100 (Previous Year : 28,100) Equity shares of Euro 100 each fully paid-up in Sudarshan Europe B.V.	190,897,415	190,897,415
	500,000 (Previous Year : Nil) Equity shares of Rs.10 each fully paid up in RIECO Industries Limited.	160,000,000	-
	10,000 (Previous Year : Nil) Equity shares of 10 each fully paid up in Sudarshan CSR Foundation <i>Ref. Note No. 12 of Note No. 29</i>	100,000	-
		<u>410,997,415</u>	<u>250,897,415</u>
	(b) Investments in Preference Shares (unquoted) :		
	Investments in Subsidiaries :		
	290,000 (Previous Year : 390,000) 10% Non-cumulative, redeemable and with a right of call and put option, Preference shares of Rs. 100 each fully paid-up in Prescient Color Limited.	29,000,000	39,000,000
	5,000,000 (Previous Year : Nil) 10% Non-cumulative, compulsorily convertible after six months starting from date of allotment, Preference shares of Rs. 10 each fully paid up in RIECO Industries Limited	50,000,000	-
		<u>79,000,000</u>	<u>39,000,000</u>
	(c) Investments in Mutual Funds (quoted) :		
	Aggregate amount of quoted investments and market value thereof :		
	202,715.67 (Previous Year : 202,715.67) Units of Rs. 10 each in UTI Gilt Advantage-LTP-Dividend Payout Fund. <i>[Market Value Rs. 3,814,075 (Previous Year : Rs. 3,148,255)]</i>	2,864,697	2,864,697
		<u>2,864,697</u>	<u>2,864,697</u>
	<i>Aggregate amount of quoted investments</i>	2,864,697	2,864,697
	<i>Aggregate amount of unquoted investments</i>	489,997,415	289,897,415
	Total ...	<u>492,862,112</u>	<u>292,762,112</u>
		<u>492,862,112</u>	<u>292,762,112</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
14	LONG-TERM LOANS AND ADVANCES		
	Unsecured (Considered Good unless stated otherwise) :		
	(a) Capital Advances	25,772,368	35,016,529
	Considered doubtful	3,000,000	3,000,000
	Less : Provision for doubtful advances	3,000,000	3,000,000
		-	-
		25,772,368	35,016,529
	(b) Security Deposits :		
	Deposit with Government etc.	25,461,005	21,651,845
	Tender Deposit	1,147,430	919,800
	Deposit with Others	3,950,222	5,077,532
	(c) Other Loans and Advances :		
	Loans to Employees	16,000	320,600
	Stamp Duty refund recoverable	31,655,500	-
	(d) MAT Credit Entitlement	74,500,000	103,100,000
		162,502,525	166,086,306
	(e) Income Tax Paid	1,258,047,073	1,108,902,136
	Less : Provision	1,197,043,474	1,072,421,345
	Income Tax Paid (Net)	61,003,599	36,480,791
	Total ...	223,506,124	202,567,097
15	OTHER NON-CURRENT ASSETS		
	Margin Money with Banks with maturity of more than 12 months <i>Ref. Note No. 18</i>	-	2,500,000
	Total ...	-	2,500,000
	CURRENT ASSETS :		
16	INVENTORIES		
	(a) Raw Materials	386,667,028	402,671,141
	Goods in Transit	150,525,625	202,102,732
		537,192,653	604,773,873
	(b) Work-in-progress	383,085,600	226,176,744
	(c) Finished Goods	684,656,626	651,359,645
	Goods in Transit	818,400	4,011,133
		685,475,026	655,370,778
	(d) Stores and Spares	69,752,677	77,074,489
	(e) Goods for Trading / Resale	42,743,584	39,529,629
	(f) Packing Materials	8,004,023	12,063,217
	(g) Leasehold Rights	-	498,450,000
	<i>For Leasehold Rights Ref. Note No. 4 of Note No. 29</i>		
	<i>For breakup of Inventories Ref. Note No. 13 of Note No. 29</i>		
	Total ...	1,726,253,563	2,113,438,730

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
17	TRADE RECEIVABLES		
	Unsecured :		
	(a) Outstanding for a period exceeding six months from the due date (Considered good)	57,133,873	59,221,636
	Considered doubtful	12,938,311	3,124,883
	Less : Provision for doubtful debt	12,938,311	3,124,883
		-	-
	(b) Others (Considered good)	2,652,315,573	2,586,281,312
	Total ...	2,709,449,446	2,645,502,948
18	CASH AND CASH EQUIVALENTS		
	(a) Cash and Cash Equivalents		
	i) Cash on hand	1,766,511	2,025,576
	ii) In Current Accounts	43,071,330	97,118,611
	iii) Remittance in Transit	24,000,000	-
	iv) Other Bank Balances		
	- Lien Account	-	553
	- Deposit Accounts (Original maturity between 3 - 12 months)	88,316,736	-
	- Earmarked balances with Bank		
	Unclaimed Dividend Accounts	3,496,928	3,005,129
		160,651,505	102,149,869
	(b) Other Bank Balances (Original maturity More than 3 months)		
	i) Lien Accounts (Against Bank Guarantees)	17,473,171	16,155,307
	ii) Balances with banks to the extent held as margin money		
	- With remaining maturity less than 12 months	-	3,000,000
	- With remaining with maturity more than 12 months	-	2,500,000
	Less : Amount disclosed under non-current assets	-	2,500,000
	Ref. Note. No. 15		
	Total ...	178,124,676	121,305,176
19	SHORT-TERM LOANS AND ADVANCES		
	Unsecured and considered good :		
	Loans and Advances to Related Parties	161,872,628	63,718,242
	Others:		
	Advances recoverable in cash or in kind or for value to be received	227,952,960	236,021,953
	Deposit with Excise, Customs etc.	48,586,526	53,431,534
	Total ...	438,412,114	353,171,729
20	OTHER CURRENT ASSETS		
	Export Incentives Receivable	9,167,960	28,253,037
	Service Tax Receivable (Set-off)	2,491,811	14,036,861
	Prepaid Expenses	17,300,899	14,838,063
	Advance to Gratuity Fund	-	19,312,474
	Ref. Note No. 6 (A) 1 (c) of Note No. 29		
	Others	41,749,046	13,543,472
	Ref. Note No. 30 of Note No. 29		
	Total ...	70,709,716	89,983,907

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	Current Year Rs.	Previous Year Rs.
21	REVENUE FROM OPERATIONS		
	(a) Sale of products	11,628,830,132	10,995,899,471
	Less: Excise duty	810,400,819	<u>770,932,129</u>
	<i>Ref. Note. No. 14 of Note No. 29</i>	10,818,429,313	10,224,967,342
	(b) Services Rendered	446,016	415,674
	(c) Other operating revenues		
	Export Incentives	34,334,538	23,204,628
	Miscellaneous Operating Income (Net of Excise Duty)	29,728,221	<u>17,914,292</u>
		64,062,759	41,118,920
	Total ...	10,882,938,088	<u>10,266,501,936</u>
22	OTHER INCOME		
	(a) Interest Income		
	Interest earned on :		
	Bank Deposits	7,663,885	3,811,972
	Others	12,164,616	12,405,427
	(b) Other Non-Operating Income :		
	Miscellaneous Income	88,880,792	30,601,659
	Provision for doubtful debts written back	-	464,773
	Foreign Exchange Difference (Net)	121,587,354	-
	Total ...	230,296,647	<u>47,283,831</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	Current Year Rs.	Previous Year Rs.
23	COST OF MATERIALS CONSUMED		
	Opening Stock	604,773,873	296,994,608
	Add : Purchases	6,323,495,225	6,018,170,380
		<u>6,928,269,098</u>	<u>6,315,164,988</u>
	Less : Closing Stock	537,192,653	604,773,873
	Ref. Note No. 15 of Note No. 29	<u>6,391,076,445</u>	<u>5,710,391,115</u>
	Total ...		
24	COST OF GOODS TRADED		
	Opening Stock	39,529,629	22,407,933
	Add : Purchases	324,083,302	330,504,430
		<u>363,612,931</u>	<u>352,912,363</u>
	Less : Closing Stock	42,743,584	39,529,629
	Total ...	<u>320,869,347</u>	<u>313,382,734</u>
25	CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
	Stocks at Commencement :		
	Finished Products	655,370,778	592,475,817
	Work-in-progress (Semi-finished Products)	226,176,744	340,919,441
		<u>881,547,522</u>	<u>933,395,258</u>
	On Acquisition of business (Ref. Note No. 5 of Note No. 29)	138,912,699	-
		<u>1,020,460,221</u>	<u>933,395,258</u>
	Less:		
	Stocks at Close :		
	Finished Products	685,475,026	655,370,778
	Work-in-progress (Semi-finished Products)	383,085,600	226,176,744
		<u>1,068,560,626</u>	<u>881,547,522</u>
	Ref. Note No. 13 of Note No. 29	<u>(48,100,405)</u>	<u>51,847,736</u>
	Total ...		
26	EMPLOYEE BENEFIT EXPENSE		
	Salaries and Wages :		
	Other Than Research and Development	587,917,539	540,791,570
	For Research and Development	56,053,492	51,011,702
	(Ref. Note No. 10 of Note No. 29)		
	Contribution to Provident and Other Funds	33,086,134	30,911,257
	Staff Welfare Expenses	24,079,610	14,472,680
	Gratuity (Ref. Note No. 6 (A) 1 (d) of Note No. 29)	36,858,295	607,288
	Pension (Ref. Note No. 6 (A) 2 (b) of Note No. 29)	14,560,070	6,764,518
	Total ...	<u>752,555,140</u>	<u>644,559,015</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	Current Year Rs.	Previous Year Rs.
27	FINANCE COSTS		
	(a) Interest expenses	315,734,033	350,165,953
	(b) Other borrowing costs (Includes Bank charges for Bank Guarantee, Loan Processing etc.)	3,820,856	2,955,432
	(c) Foreign Exchange difference to the extent considered as borrowing cost	8,579,528	22,844,979
	Total ...	328,134,417	375,966,364
28	OTHER EXPENSES		
	Consumption of Stores and Spare parts <i>Ref. Note No. 17 of Note No. 29</i>	169,974,559	185,360,282
	Consumption of Packing Material	139,029,330	124,410,366
	Power and Fuel	604,413,944	591,767,526
	Water Charges	97,563,104	91,134,493
	Labour Charges	226,886,160	220,940,645
	Rent (<i>Ref. Note No. 31 of Note No. 29</i>)	12,708,258	8,757,158
	Repairs to Buildings	46,727,895	51,870,795
	Repairs to Plant and Machinery	107,436,247	103,370,994
	Repairs to Others	6,403,292	5,302,905
	Insurance	11,946,918	14,806,605
	Rates and Taxes	7,763,375	10,314,464
	Advertisement	14,692,576	7,200,280
	Auditors' Remuneration (<i>Ref. Note No. 8 of Note No. 29</i>)	2,481,721	1,383,220
	Bad Debts Written Off	10,014,638	2,767,885
	Provision for Doubtful Advances	-	3,000,000
	Bank Charges	10,693,954	15,404,358
	Export Market Development Expenses :		
	Commission on Exports	37,839,308	26,327,637
	Travelling, Postage, Forwarding, etc.	92,307,992	92,393,503
	Commission to Selling Agents	216,158,023	202,340,230
	Directors' Sitting Fees	1,539,050	1,274,220
	Discounts (Other Than Trade Discounts)	117,571,385	112,011,470
	Foreign Exchange Difference (Net)	-	22,868,562
	ERP / Computer related expenses	23,839,333	12,614,180
	Freight and Octroi	18,191,110	14,035,989
	General Expenses (<i>Ref. Note No. 32 & 33 of Note No. 29</i>)	66,121,756	51,799,101
	Legal, Professional and Consultancy Charges	120,988,557	115,429,156
	Licence Fees	3,381,482	2,153,734
	Loss on Sale / Disposal of Fixed Assets (Net)	1,941,698	13,233,742
	Printing, Stationery and Communication Expenses	22,280,817	19,998,509
	Sales Tax Surcharge / Turnover Tax	5,961,442	8,347,241
	Selling and Distribution Expenses	65,617,397	55,459,301
	Research and Development Expenses (<i>Ref. Note No. 10 of Note No. 29</i>) :		
	Stores, Spares and Consumables etc.	16,894,672	18,554,920
	Other Expenses	20,014,350	26,624,248
	Travelling and Conveyance	34,252,261	31,343,118
	Other Expenses	41,326,828	51,248,160
	Total ...	2,374,963,432	2,315,848,997

NOTE NO. 29 : NOTES TO THE FINANCIAL STATEMENTS

1. Significant Accounting Policies :

(i) Basis of Preparation :

The Financial Statements are prepared in accordance with the Generally Accepted Accounting Principles ("GAAP") in India under the historical cost convention on an accrual basis, and are in conformity with mandatory accounting standards, as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or where a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Use of Estimates :

The preparation of Financial Statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(iii) Fixed Assets :

(a) Tangible Assets :

Fixed Assets are stated at cost of acquisition along with attributable costs, including related borrowing costs, for bringing the assets to its working condition for its intended use, less accumulated depreciation.

(b) Intangible Assets :

Costs incurred on acquisition, development or enhancement of intangible resources are recognized as intangible assets if these are identifiable, controlled by the Company and it is probable that future economic benefit attributable to the assets would flow to the Company. Intangible assets are stated at cost less accumulated amortization and impairments, if any. Cost includes taxes, duties and other incidental expenses related to acquisition, development and enhancement.

(c) Borrowing costs that are directly attributable to the acquisition or production of a qualifying assets are capitalized as a part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(d) The cost also comprises of exchange differences arising on translation / settlement of long-term foreign currency borrowings pertaining to the acquisition of fixed assets.

(iv) Depreciation :

Depreciation on tangible assets is provided on the straight-line method on pro-rata basis, over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013, or as assessed by the Management based on the technical evaluation by an approved valuer.

Assets whose acquisition value is less than Rs. 5,000 are depreciated 100% during the year of acquisition.

Leasehold land is amortised over the lease period.

Goodwill is amortised over a period of 5 years.

Useful life of the following asset classes differs from that prescribed by Schedule II :

Asset Class	Useful Life Adopted	Useful Life as per Schedule - II
Plant and Machinery	9.2	7.5
Vehicles	6	8

(v) Impairment of Assets :

The carrying amounts of Cash Generating Units / Assets are reviewed at the Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated as the higher of net selling price and value in use. Impairment loss is recognized wherever carrying amount exceeds recoverable amount.

(vi) Investments :

Long-term Investments are carried at cost including related expenses, provision for diminution being made, if necessary, to recognize a decline, other than temporary, in the value thereof.

Current investments are valued at lower of cost and fair value.

(vii) Inventories :

Inventories are valued at lower of Cost and Net Realisable Value.

- (a) Raw Materials, Packing Materials, Stores and Consumables are valued at Weighted Average Cost.
- (b) The cost of Finished Goods and Work-in-progress (Semi-finished Goods) is ascertained by Weighted Average of Cost of Raw Material and standard rate of conversion and other related costs for bringing the inventory to the present location and condition.
- (c) Provision is made for obsolete and non-moving items.
- (d) Leasehold Rights are valued at conversion value.

(viii) Research and Development :

Research and Development expenditure of a capital nature is added to Fixed Assets and depreciation is provided thereon. All other expenditure on Research and Development is charged to the Statement of Profit and Loss in the year of incurrence.

(ix) Foreign Currency Transactions :

- (a) Transactions in foreign currencies are recorded at the exchange rates prevailing as on the date of the transaction. Monetary items are translated at the year-end rate. The difference between the rate prevailing as on the date of the transaction and as on the date of settlement and also on translation of monetary items, at the end of the year, is recognised as income or expense, as the case may be.
- (b) In respect of forward exchange contracts, the difference between the forward rate and the exchange rate at the inception of the contract is recognised as income or expense over the period of the contract. Losses on cancellation of forward exchange contracts are recognised as expense.
- (c) The Company has accounted for exchange differences arising on reporting of long-term foreign currency monetary items in accordance with Companies (Accounting Standards) Amendment Rules, 2009 pertaining to Accounting Standard – 11 (AS – 11) notified by Government of India on 31st March, 2009 (as amended on 29th December 2011).

Accordingly, the effect of exchange differences on foreign currency loans of the Company taken to acquire fixed assets is added to / deducted from the cost of the respective assets.

(x) Derivative Financial Instruments :

The Company uses derivative financial instruments such as Forwards, Swaps and Plain Vanilla Options to hedge its risks associated with foreign exchange fluctuations. Such derivative financial instruments are used as risk management tools and not for speculative purposes, in terms of the Policy duly adopted by the Board.

Derivative financial instruments entered into for hedging foreign exchange risks of recognized foreign currency monetary items are accounted for as per the principles laid down in Accounting Standard – 11 “The effects of changes in Foreign Exchange Rates”.

Interest rate swaps entered into by the Company for hedging are mark to market at the reporting date. Losses (Net), if any, are charged to the statement of Profit and Loss and gains (Net) are not recognised.

(xi) Revenue Recognition :

Sale of goods is recognised on dispatches to customers, which coincides with the transfer of significant risks and rewards associated with ownership, inclusive of excise duty and net of trade discount.

Dividend income is accounted for when the right to receive is established.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(xii) Employee Benefits :

(a) Contribution to provident fund -

Company's contribution paid / payable during the year to provident fund and labour welfare fund are recognised in the Statement of Profit and Loss.

(b) Gratuity -

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated period mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date.

Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

(c) Superannuation -

The Company makes contribution to the Superannuation scheme, a defined contribution scheme, administered by Life Insurance Corporation of India, which are charged to the Statement of Profit and Loss. The Company has no obligation to the scheme beyond its annual contributions.

(d) Leave encashment / compensated absences / sick leave -

The Company provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on actual basis.

(xiii) Taxation :

- (a) Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income Tax Act, 1961) over normal income-tax, is recognised as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of ten succeeding assessment years.
- (b) Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets on unabsorbed tax losses and unabsorbed tax depreciation are recognised only when there is a virtual certainty of their realisation.

Other deferred tax assets are recognised only when there is a reasonable certainty of their realisation.

(xiv) Provisions and Contingent Liabilities :

- (a) A provision is recognized when the Company has a present obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.
- (b) A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

(xv) Earnings Per Share :

Basic earning per share is calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit / (loss) for the period after deducting preference dividends and any attributable tax thereto for the period.

The weighted average number of equity shares outstanding during the period and for all periods processed is adjusted for events, such as bonus shares and sub-division, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(xvi) Cash and Cash Equivalents :

Cash and cash equivalents for the purposes of the Cash Flow Statement comprise of cash at bank, cash in hand and current investments with an original maturity of three months or less.

(xvii) Segment Reporting :

The business segment has been considered as the primary segment for disclosure. The categories included in each of the reported business segments are as follows :

- (i) Pigments
- (ii) Agro Chemicals
- (iii) Other Operations

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

- 1 Allocation of common costs –
Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.
- 2 Unallocated items –
Unallocated items include general corporate income and expense items which are not allocated to any business segment. Assets and liabilities which relate to the Company as a whole but are not allocable to segments on a reasonable basis, have been included under "Unallocable Assets / Liabilities".
- 3 Segment accounting policies –
The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Financial Statements of the Company as a whole.

2. Estimated amount of contracts remaining to be executed on capital account – **Rs. 23,584,577**
(Previous Year : Rs. 5,900,395).

3. **Contingent liabilities not provided for :**

- (i) **Pending Litigations -**

- (a) Excise Duty – **Rs. 20,019,895** (Previous Year : Rs. 7,183,604).
 - (b) Income Tax – **Rs. 31,667,195** (Previous Year : Rs. 30,388,050).
 - (c) VAT / CST – **Rs. 18,508,939** (Previous Year : Rs. 11,861,000).

- (ii) **Guarantees -**

- **Corporate Guarantee**

- (a) Corporate Guarantee issued on behalf of the wholly owned subsidiary company Sudarshan Europe B.V. – **Euro 3,000,000** (Previous Year : Euro 3,000,000).
 - (b) Corporate Guarantee issued on behalf of Sudarshan North America, Inc., wholly owned subsidiary company of Sudarshan Europe B.V. – **USD 3,000,000** (Previous Year : USD 3,000,000).

- **Bank Guarantee**

- (a) Bank Guarantees – **Rs. 155,423,076** (Previous Year : Rs. 65,402,514)

4. The Company had converted Leasehold Rights of Rs. 498,450,000 into Stock-in-trade in FY 2010-11 with the intention of commercially developing the underlying Leasehold Land situated at 162 Wellesley Road, Pune 411 001. However, due to several factors, some beyond the control of the Company, this intention could not fructify.

In the mean time the Company also acquired Reversionary Rights in the said land, resulting in full ownership. Presently, the validity of acquisition of Revisionary Rights is sub-judice.

In view of the above, the Stock-in-trade of Rs. 498,450,000 as already recognized by creating the corresponding Revaluation Reserve of an identical amount, is reversed.

Under the circumstances, the Board has decided to reconvert the said land into and to be held as, capital asset at cost Rs. 71,550,000.

The above has no impact, on the Financial Results of the Company.

5. Acquisition of business undertaking of “Rathi Vessels and Systems Private Limited” on slump sale basis:

During the year the Company has acquired the going concern business of Rathi Vessels and Systems Private Limited on slump sale basis for Rs. 25,000,000 with the effective date of 1st October, 2014. Correspondingly, all assets and liabilities of this business as on the said effective date stand transferred to the Company and are included in the Financial Statements under the respective head of accounts. The excess of consideration paid over the book value of assets and liabilities of Rs. 41,101,746 is recognised as Goodwill.

6. The following disclosures are made in accordance with Accounting Standard – 15 (Revised) :

(A) Pertaining to Defined Benefit Plans :

1 Gratuity

Particulars	As at 31 st March, 2015 Rs.	As at 31 st March, 2014 Rs.
(a) Present value of the defined benefit obligation :		
Obligations at period beginning	126,365,357	141,936,812
Service cost	8,784,080	7,156,205
Acquisition adjustment	–	–
Interest cost	10,603,997	10,466,057
Past service cost	–	–
Curtailment cost / (credit)	–	–
Settlement cost / (credit)	–	–
Actuarial (gain) / loss	30,206,341	(4,589,769)
Benefits paid	(22,209,043)	(28,603,948)
Obligations at period end	153,750,732	126,365,357
(b) Fair value of plan assets :		
Plan assets at period beginning, at fair value	145,677,831	150,856,574
Expected return on plan assets	12,111,598	12,784,914
Acquisition adjustment	–	–
Actuarial gain / (loss)	624,525	(359,709)
Contributions	–	11,000,000
Benefits paid	(22,209,043)	(28,603,948)
Plan assets at period end, at fair value	136,204,911	145,677,831
Actual returns on plan assets	12,736,123	12,425,205
(c) Assets and liabilities recognized in the Balance Sheet :		
Fair value of the plan assets at the end of the year	136,204,911	145,677,831
Present value of the defined benefit obligations at the end of the period	153,750,732	126,365,357
Asset / (liability) recognized in the Balance Sheet	(17,545,821)	19,312,474
(d) Expense recognized in the Statement of Profit and Loss :		
Current service cost	8,784,080	7,156,205
Past service cost	–	–
Interest cost	10,603,997	10,466,057
Expected return on plan assets	(12,111,598)	(12,784,914)
Curtailment cost / (credit)	–	–
Settlement cost / (credit)	–	–
Actuarial (gain) / loss	29,581,816	(4,230,060)
Net gratuity cost	36,858,295	607,288
(e) Investment details of the plan assets* :		
Government of India Securities	0.00%	0.00%
High quality Corporate Bonds	0.00%	0.00%
Equity shares of listed companies	0.00%	0.00%
Property	0.00%	0.00%
Special deposit scheme	0.00%	0.00%
Funds managed by Insurer	100.00%	100.00%
Others	0.00%	0.00%
* Plan assets are invested in the debt instruments prescribed by IRDA.		
(f) Summary of Actuarial Assumptions :		
Discount Rate	7.80%	9.20%
Rate of return on plan assets	9.00%	9.00%
Rate of increase in Compensation levels	7.00%	7.00%
Expected Average remaining working lives of employees (Years)	13.47	14.35
The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.		

(g) Experience adjustment * :	As at 31 st March, 2015 Rs.	As at 31 st March, 2014 Rs.	As at 31 st March, 2013 Rs.	As at 31 st March, 2012 Rs.	As at 31 st March, 2011 Rs.
On plan liability (loss) / gain	(13,776,460)	(6,223,441)	(12,072,291)	(4,554,315)	–
On plan asset (loss) / gain	624,525	(359,709)	(727,174)	(24,680)	–
Present value of benefit obligation	153,750,732	126,365,357	141,936,812	128,751,390	124,628,825
Fair value of plan assets	136,204,911	145,677,831	150,856,574	136,940,239	127,024,258
Surplus / (deficit)	(17,545,821)	19,312,474	8,919,762	8,188,849	2,395,433

*Data as per actuary is available only for current year and previous four years.

2 Pension

Particulars	Current Year Rs.	Previous Year Rs.
(a) Reconciliation of PBO :		
Projected Benefit Obligation at beginning of the year	59,635,600	56,453,316
Current service cost	331,358	233,777
Interest cost	4,484,277	4,391,679
Contributions by plan participation	–	–
Actuarial (gain) / loss due to change in assumptions	9,744,435	2,139,062
Benefits paid	(4,952,449)	(3,582,234)
Past service cost	–	–
Amalgamations	–	–
Curtailments	–	–
Settlements	–	–
Projected Benefit Obligation at end of the year	69,243,221	59,635,600
Includes Current maturity Rs. 5,447,702 (Previous Year : Rs. 4,927,576)		
(b) Statement of Profit and Loss :		
Current service cost	331,358	233,777
Interest cost	4,484,277	4,391,679
Expected return on plan asset	–	–
Net actuarial (gain) / loss to be recognised in the year	9,744,435	2,139,062
Past service cost	–	–
Effect of Curtailments	–	–
(Income) / Expense recognised in the Statement of Profit and Loss	14,560,070	6,764,518

(B) Pertaining to Defined Contribution Plans :

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
(a) Expected contribution to the fund in the next year :		
Gratuity	26,599,547	24,859,390
(b) Defined contribution plans :		
Provident fund paid to the authorities	30,766,982	28,550,887

7. Trade Payables (Creditors) :

(A) Outstanding to Trade Payables (including acceptances) other than Micro, Small and Medium Enterprise : **Rs. 1,554,590,240** (Previous Year : Rs. 1,074,913,462) (Interest Paid / Payable is Rs. Nil (Previous Year : Rs. Nil)).

(B) Outstanding to Micro, Small and Medium Enterprise : **Rs. 4,364,137** (Previous Year : Rs. Nil).

The identification of suppliers under "Micro, Small and Medium Enterprises Development Act, 2006" was done on the basis of the information to the extent provided by the suppliers to the Company. Total outstanding dues of Micro and Small Enterprises, which were outstanding for more than stipulated period, are given below :

	31-03-2015	31-03-2014
	Rs.	Rs.
(a) Principal amount due	Nil	Nil
(b) Interest paid under MSMED Act, 2006	Nil	Nil
(c) Interest due	621,583	448,614
(d) Interest accrued and due	Nil	Nil
(e) Interest due and payable till actual payment	621,583	448,614

8. Auditors' Remuneration :

	Current Year	Previous Year
	Rs.	Rs.
(a) Audit Fees	800,000	600,000
(b) Tax Audit Fees	300,000	180,000
(c) Other Services –		
Certification and Limited Review	1,165,000	460,000
Stock Verification	200,000	120,000
(d) Reimbursement of Expenses	16,721	23,220
Total ...	2,481,721	1,383,220

9. Fixed Deposits :

(Accepted under Section 76 (1) of the Companies Act, 2013)

	31-03-2015	31-03-2014
	Rs.	Rs.
(a) Fixed Deposits with Maturity less than 12 months	–	50,115,000
(b) Fixed Deposits with Maturity more than 12 months	405,500,000	503,990,000
(c) Unclaimed Matured Fixed Deposits	–	1,015,000
Total ...	405,500,000	555,120,000

10. Research and Development Expenditure :

This includes expenditure incurred by the Company on in-house research and development in respect of eligible facilities at Roha and Pune, approved by the Department of Scientific & Industrial Research, Ministry of Science and Technology.

Ref. Note No. 26 and Note No. 28

	31-03-2015	31-03-2014
	Rs.	Rs.
(a) Revenue Expenditure		
Roha Unit	22,752,166	20,846,108
Pune Unit	70,210,348	75,344,762
Total ...	92,962,514	96,190,870
(b) Capital Expenditure		
Roha Unit	75,717,175	692,344
Pune Unit	8,396,709	1,567,128
Total ...	84,113,884	2,259,472

11. Segment Reporting :

Particulars	Year Ended 31-03-2015 Rs.	Year Ended 31-03-2014 Rs.
(A) Primary Segment Information :		
1 Segment Revenue		
(a) Pigments	9,628,042,463	9,166,828,163
(b) Agro Chemicals	1,155,018,485	1,099,673,773
(c) Other Operations	99,877,140	—
Total ...	10,882,938,088	10,266,501,936
Less : Inter-segment revenue	—	—
Net Sales / Income from Operations	10,882,938,088	10,266,501,936
2 Segment Results		
Profit / (Loss) before tax		
(a) Pigments	1,167,159,093	1,057,721,726
(b) Agro Chemicals	77,367,458	77,334,224
(c) Other Operations	(39,590,779)	—
Total ...	1,204,935,772	1,135,055,950
Less : i. Finance Cost	328,134,417	375,966,364
ii. Other Unallocable Expenditure (Net of Unallocable Income)	280,590,856	210,814,977
Profit Before Tax	596,210,499	548,274,609
Less : Tax Expense	172,137,658	204,096,932
Profit After Tax	424,072,841	344,177,677
3 Other Information		
Segment assets		
(a) Pigments	6,405,764,395	6,701,748,456
(b) Agro Chemicals	370,484,791	311,944,305
(c) Other Operations	357,644,022	—
(d) Unallocated	1,872,112,057	1,529,281,793
Total ...	9,006,005,265	* 8,542,974,554
Segment liabilities		
(a) Pigments	1,399,457,912	1,138,102,643
(b) Agro Chemicals	114,478,665	193,316,274
(c) Other Operations	396,955,657	—
(d) Unallocated	423,301,438	354,880,048
Total ...	2,334,193,672	1,686,298,965
(*) Does not include leasehold rights at Pune, treated as stock-in-trade.		
4 Capital Expenditure		
(a) Pigments	281,138,901	66,544,100
(b) Agro Chemicals	10,039,509	4,785,124
(c) Other Operations	46,203,352	—
(d) Unallocated	149,900,676	213,831,280
Total ...	487,282,438	285,160,504
5 Depreciation		
(a) Pigments	305,312,522	283,335,458
(b) Agro Chemicals	5,330,913	5,276,178
(c) Other Operations	7,493,338	—
(d) Unallocated	95,807,594	64,903,561
Ref. Note No. 27 of Note No. 29		
Total ...	413,944,367	353,515,197

Particulars	Year Ended 31-03-2015 Rs.	Year Ended 31-03-2014 Rs.
(B) Secondary Segment Disclosures :		
1 Revenue from External Customers		
(a) Indigenous	6,236,113,160	5,848,308,066
(b) Exports (including export incentives)	4,646,824,928	4,418,193,870
Total...	10,882,938,088	10,266,501,936
2 Carrying amount of Assets		
(a) In India	7,430,422,645	7,523,513,893
(b) Outside India	1,575,582,620	1,517,910,661
Total...	9,006,005,265	9,041,424,554
3 Capital Expenditure		
(a) In India	487,282,438	285,160,504
(b) Outside India	—	—
Total...	487,282,438	285,160,504

12. Related Party Transaction (As per AS-18 on Related Party Disclosures Specified under Section 133 of the Companies Act, 2013) :

List of Related Parties and description of relationship :

(a) Key Management Personnel :	Mr. P.R.Rathi Mr. R.B.Rathi Mr. A.V.Vij
(b) Relatives of Key Management Personnel :	Mrs. R.R.Rathi — Wife of Mr. R.B.Rathi Mr. R.P.Rathi — Son of Mr. P.R.Rathi Mrs. K.B.Rathi — Mother of Mr. R.B.Rathi Mrs. K.R.Rathi — Mother of Mr. P.R.Rathi Mr. A.B.Rathi — Brother of Mr. R.B.Rathi Mrs. S.P.Rathi — Wife of Mr. P.R.Rathi Mrs. R.R.Agarwal — Daughter of Mr. P.R.Rathi
(c) Subsidiary Companies :	Prescient Color Limited Sudarshan Europe B.V. Sudarshan North America, Inc. (Step-down subsidiary of Sudarshan, India) RIECO Industries Limited (w.e.f. 10 th February, 2015) Sudarshan CSR Foundation (Sudarshan CSR Foundation, is a company registered on 3 rd March, 2015, under Section 8 of the Companies Act 2013. Pursuant to section 2 (41) of the Companies Act, 2013, the first Financial Year of the company will end on 31 st March, 2016. Hence the Consolidated Financial Statements of the Company for the year ended 31 st March 2015 do not include the financial results of Sudarshan CSR Foundation.)
(d) Entities in which Key Management Personnel and / or their relatives exercise significant influence (SIKMP) :	Rathi Brothers Poona Limited Rathi Brothers Madras Limited Rathi Brothers Calcutta Limited Rathi Brothers Delhi Limited Manan Rathi Trust Balkrishna Rathi Finance Private Limited PRR Finance Private Limited Marathwada Chemical Industries Private Limited Rathi Vessels & Systems Private Limited (upto 30 th September, 2014) RIECO Industries Limited (upto 9 th February, 2015)

Transactions with Related Parties :

Nature of Transactions	2014 - 15				2013 - 14			
	Key Management Personnel	Relatives of Key Management Personnel	Subsidiary Companies	SIKMP*	Key Management Personnel	Relatives of Key Management Personnel	Subsidiary Companies	SIKMP*
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
● Salary, Pension, Reimbursement of expenses etc. :								
Mr. P.R.Rathi	24,454,057	—	—	—	22,406,764	—	—	—
Mr. R.B.Rathi	24,442,836	—	—	—	20,027,198	—	—	—
Mr. A.V.Vij	8,720,452	—	—	—	6,409,363	—	—	—
Mr. R.P.Rathi	—	2,669,872	—	—	—	2,483,158	—	—
Mrs. K.B.Rathi	—	1,240,093	—	—	—	1,127,357	—	—
● Interest paid / payable :								
Mr. P.R.Rathi	109,511	—	—	—	55,082	—	—	—
Mr. R.B.Rathi	121,483	—	—	—	—	—	—	—
Mrs. K.R.Rathi	—	227,330	—	—	—	160,000	—	—
Mr. R.P.Rathi	—	427,059	—	—	—	311,855	—	—
Mr. A.B.Rathi	—	53,960	—	—	—	—	—	—
Mrs. S.P.Rathi	—	141,847	—	—	—	241,148	—	—
Mrs. R.R.Agarwal	—	138,738	—	—	—	350,000	—	—
Manan Rathi Trust	—	—	—	191,343	—	—	—	345,000
Rathi Brothers Poona Ltd.	—	—	—	896,517	—	—	—	878,251
Rathi Brothers Madras Ltd.	—	—	—	422,157	—	—	—	439,089
Rathi Brothers Calcutta Ltd.	—	—	—	121,933	—	—	—	55,999
Rathi Brothers Delhi Ltd.	—	—	—	1,468,272	—	—	—	1,309,726
Balkrishna Rathi Finance Pvt. Ltd.	—	—	—	4,892,156	—	—	—	5,175,097
PRR Finance Pvt. Ltd.	—	—	—	3,917,491	—	—	—	5,579,204
Others	—	2,713	—	497,026	—	—	—	532,058
● Acceptance of Deposits :								
Mr. P.R.Rathi	9,285,000	—	—	—	—	—	—	—
Mr. R.B.Rathi	10,300,000	—	—	—	—	—	—	—
Mr. R.P.Rathi	—	10,740,000	—	—	—	2,400,000	—	—
Mrs. K.R.Rathi	—	16,685,000	—	—	—	—	—	—
Manan Rathi Trust	—	—	—	9,555,000	—	—	—	—
Rathi Brothers Poona Ltd.	—	—	—	17,250,000	—	—	—	15,550,000
Rathi Brothers Madras Ltd.	—	—	—	3,625,000	—	—	—	2,950,000
Rathi Brothers Delhi Ltd.	—	—	—	11,625,000	—	—	—	10,750,000
Balkrishna Rathi Finance Pvt. Ltd.	—	—	—	5,165,000	—	—	—	8,000,000
Others	—	11,525,000	—	11,885,000	—	—	—	4,840,000
● Repayments of Deposits :								
Mrs. R.R.Agarwal	—	3,500,000	—	—	—	—	—	—
Mrs. S.P.Rathi	—	1,900,000	—	—	—	1,300,000	—	—
Mr. R.P.Rathi	—	2,900,000	—	—	—	2,400,000	—	—
Manan Rathi Trust	—	—	—	3,480,000	—	—	—	—
Rathi Brothers Poona Ltd.	—	—	—	17,650,000	—	—	—	23,550,000
Rathi Brothers Delhi Ltd.	—	—	—	10,200,000	—	—	—	15,350,000
Rathi Brothers Madras Ltd.	—	—	—	3,750,000	—	—	—	4,750,000
PRR Finance Pvt. Ltd.	—	—	—	11,500,000	—	—	—	34,400,000
Others	—	1,600,000	—	5,905,000	1,400,000	—	—	14,950,000
● Sale of Fixed Asset:								
Mr. P.R.Rathi	—	—	—	—	17,850	—	—	—
Prescient Color Ltd.	—	—	—	—	—	—	1,543,269	—
● Sale of Chemicals :								
Sudarshan Europe B.V.	—	—	1,234,290,742	—	—	—	1,207,301,993	—
Prescient Color Ltd.	—	—	20,896,335	—	—	—	13,005,722	—
Sudarshan North America, Inc.	—	—	392,779,060	—	—	—	335,806,062	—
Marathwada Chemical Inds. Pvt. Ltd.	—	—	—	1,373,104	—	—	—	1,402,625
RIECO Industries Ltd.	—	—	796,352	—	—	—	—	—
● Purchase of Goods / Services :								
Sudarshan Europe B. V.	—	—	12,120,540	—	—	—	2,880,886	—
Prescient Color Ltd.	—	—	11,798	—	—	—	—	—
RIECO Industries Ltd.	—	—	3,690,387	6,623,922	—	—	4,166,743	—
Marathwada Chemical Inds. Pvt. Ltd.	—	—	—	10,874,694	—	—	—	10,349,437
Rathi Vessels & Systems Pvt .Ltd.	—	—	—	30,676,786	—	—	—	—
● Car lease rent received :								
Prescient Color Ltd.	—	—	—	—	—	—	231,000	—

Nature of Transactions	2014 - 15				2013 - 14			
	Key Management Personnel	Relatives of Key Management Personnel	Subsidiary Companies	SIKMP*	Key Management Personnel	Relatives of Key Management Personnel	Subsidiary Companies	SIKMP*
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
● Subscription to Share Capital :								
Sudarshan Europe B.V.	—	—	—	—	—	—	41,922,500	—
RIECO Industries Ltd.	—	—	160,000,000	—	—	—	—	—
Sudarshan CSR Foundation	—	—	100,000	—	—	—	—	—
● Subscription to Pref. Share Capital :								
RIECO Industries Ltd.	—	—	50,000,000	—	—	—	—	—
● Proceeds from Redemption of Preference Share Capital :								
Prescient Color Ltd.	—	—	10,000,000	—	—	—	1,000,000	—
● Unsecured Loans given :								
Sudarshan Europe B.V.	—	—	121,558,986	—	—	—	46,225,582	—
Prescient Color Ltd.	—	—	10,000,000	—	—	—	364,000,000	—
● Unsecured Loans repayments received :								
Sudarshan Europe B.V.	—	—	23,404,600	—	—	—	491,126,390	—
Prescient Color Ltd.	—	—	10,000,000	—	—	—	413,350,000	—
● Interest received / accrued :								
Sudarshan Europe B.V.	—	—	4,368,773	—	—	—	7,247,548	—
Prescient Color Ltd.	—	—	84,384	—	—	—	2,237,105	—
● Commission on Sales (Incl. Taxes) :								
Rathi Brothers Calcutta Ltd.	—	—	—	6,988,101	—	—	—	4,885,988
Rathi Brothers Delhi Ltd.	—	—	—	22,322,937	—	—	—	20,786,402
Rathi Brothers Madras Ltd.	—	—	—	4,971,441	—	—	—	6,051,117
Rathi Brothers Poona Ltd.	—	—	—	43,414,782	—	—	—	34,892,464
● Management Consultancy fees received (Incl. Taxes) :								
Prescient Color Ltd.	—	—	476,049	—	—	—	458,424	—
● Rent received (Incl. Taxes) :								
Prescient Color Ltd.	—	—	377,880	—	—	—	377,880	—
RIECO Industries Ltd.	—	—	1,333,623	—	—	—	1,333,623	—
Rathi Vessels & Systems Private Ltd.	—	—	—	—	—	—	—	816,043
Rathi Brothers Poona Ltd.	—	—	—	359,125	—	—	—	359,125
● Rent Paid :								
Rathi Brothers Calcutta Ltd.	—	—	—	141,573	—	—	—	141,573
Rathi Brothers Madras Ltd.	—	—	—	108,619	—	—	—	109,591
Rathi Brothers Delhi Ltd.	—	—	—	173,125	—	—	—	—
● Donation Paid :								
Sudarshan CSR Foundation	—	—	1,040,500	—	—	—	—	—
Shri Jagannath Rathi Charity Trust	—	—	—	3,957,000	—	—	—	—
● Advance given :								
Sudarshan CSR Foundation	—	—	5,000	—	—	—	—	—
● Corporate Guarantee issued :								
Sudarshan Europe B.V.	—	—	—	—	—	—	3 Mn EUR	—
● Reimbursement of Expenses (Net) :								
Sudarshan Europe B.V.	—	—	858,990	—	—	—	2,697,860	—
Prescient Color Ltd.	—	—	67,465	—	—	—	82,697	—
Sudarshan North America, Inc.	—	—	(345,800)	—	—	—	(2,190,464)	—
RIECO Industries Ltd.	—	—	1,892,913	611,153	—	—	—	—
Marathwada Chemical Inds. Pvt.Ltd.	—	—	—	1,810,578	—	—	—	1,263,001
● Balance outstanding at year end :								
— Customer / (Vendor) Account								
Prescient Color Ltd.	—	—	3,030,414	—	—	—	2,731,205	—
Sudarshan Europe B.V.	—	—	291,937,035	—	—	—	437,218,620	—
Sudarshan North America, Inc..	—	—	135,110,780	—	—	—	116,860,654	—
RIECO Industries Ltd.	—	—	(1,068,930)	—	—	—	2,325,756	—
Marathwada Chemical Inds. Pvt.Ltd.	—	—	—	(2,786,216)	—	—	—	(1,433,107)
— Loan given								
Sudarshan Europe B.V.	—	—	161,872,628	—	—	—	63,718,242	—
— Corporate guarantee								
Sudarshan North America Inc.	—	—	3 Mn USD	—	—	—	3 Mn USD	—
Sudarshan Europe B.V.	—	—	3 Mn EUR	—	—	—	3 Mn EUR	—

Nature of Transactions	2014 - 15				2013 - 14			
	Key Management Personnel	Relatives of Key Management Personnel	Subsidiary Companies	SIKMP*	Key Management Personnel	Relatives of Key Management Personnel	Subsidiary Companies	SIKMP*
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Deposits								
Mr. P.R.Rathi	9,285,000	—	—	—	—	—	—	—
Mr. R.B.Rathi	10,300,000	—	—	—	—	—	—	—
Mr. R.P.Rathi	—	10,740,000	—	—	—	2,900,000	—	—
Mrs. K.R.Rathi	—	16,685,000	—	—	—	1,600,000	—	—
PRR Finance Pvt. Ltd.	—	—	—	32,330,000	—	—	—	40,000,000
Balkrishna Rathi Finance Pvt. Ltd.	—	—	—	52,965,000	—	—	—	48,000,000
Others	—	11,525,000	—	34,345,000	—	5,400,000	—	24,520,000
Salary and Commission								
Mr. P.R.Rathi	7,392,000	—	—	—	9,947,445	—	—	—
Mr. R.B.Rathi	6,948,720	—	—	—	8,537,674	—	—	—

* Entities in which Key Management Personnel and / or their relatives exercise significant influence

13. Inventories (At Cost or Net Realisable Value) :

(a) Finished Products :

	As at 31 st March, 2015 Value Rs.	As at 31 st March, 2014 Value Rs.
(i) Inorganic Pigments	176,771,113	157,326,048
(ii) Organic Pigments	379,477,649	428,345,813
(iii) Intermediates	2,833,613	3,194,802
(iv) Pesticides (100%)	105,257,510	66,504,115
(v) Vessels / Agitators	21,135,141	—
Total...	685,475,026	655,370,778

(b) Semi-finished Products (Work-in-progress) :

(i) Inorganic Pigments	53,567,075	61,528,935
(ii) Organic Pigments	245,758,755	156,997,287
(iii) Intermediates	4,685,837	1,946,456
(iv) Pesticides (100%)	6,063,125	5,704,066
(v) Agitators / Mixers	73,010,808	—
Total...	383,085,600	226,176,744

14. Sales (Net of Excise Duty) :

	Current Year Rs.	Previous Year Rs.
(i) Inorganic Pigments	2,259,003,461	2,357,701,791
(ii) Organic Pigments	7,319,085,685	6,767,720,110
(iii) Pesticides (100%)	730,039,777	679,001,167
(iv) Trading Sales	424,978,709	420,544,274
(v) Agitators / Mixers	85,321,681	—
Total...	10,818,429,313	10,224,967,342

15. Raw Materials Consumed :

	Current Year Rs.	Previous Year Rs.
(i) Litharge and Lead Metal	345,529,592	324,627,591
(ii) Sodium Bichromate	93,015,606	96,182,431
(iii) Organo Phosphorous Intermediates	169,464,432	133,999,800
(iv) C P C Blue	839,947,096	883,903,523
(v) C Acid	78,741,898	96,239,451
(vi) Others	4,864,377,821	4,175,438,319
Total...	6,391,076,445	5,710,391,115

16. Value of Imported and Indigenous Raw Materials consumed during the year :

	Rs.	% to Total Consumption
(a) Value of Imported Raw Materials including duty, handling, clearance charges etc.	1,670,559,290 (1,510,991,989)	26% (26%)
(b) Value of Indigenous Raw Materials	4,720,517,155 (4,199,399,126)	74% (74%)
Total...	6,391,076,445 (5,710,391,115)	100% (100%)

17. Value of Imported and Indigenous Stores, Spares and Components consumed during the year :

	Rs.	% to Total Consumption
(a) Value of Imported Stores, Spares and Components including duty, handling, clearance charges etc.	25,309,031 (12,402,619)	15% (7%)
(b) Value of Indigenous Stores, Spares and Components	144,665,528 (172,957,663)	85% (93%)
Total...	169,974,559 (185,360,282)	100% (100%)

18. Expenditure / Payments in Foreign Currencies on Account of :

	Current Year Rs.	Previous Year Rs.
(a) Commission	24,801,182	21,904,094
(b) Foreign Travel	10,890,713	10,526,310
(c) Interest	26,785,705	4,349,568
(d) Legal and Professional Charges	31,523,364	66,931,325
(e) Others	22,732,380	28,238,648
Total...	116,733,344	131,949,945

19. C.I.F. Value of Imports :

	Current Year Rs.	Previous Year Rs.
(a) Raw Materials (including through Canalising Agencies)	2,902,785,686	2,033,985,501
(b) Stores and Components	15,566,085	13,729,689
(c) Capital Goods	8,407,092	210,496
Total...	2,926,758,863	2,047,925,686

20. Remittances during the year in foreign currencies on account of dividend to non-resident shareholders were as follows :

	Current Year	Previous Year
Number of Shareholders	1	1
Number of Equity Shares (Shares of Rs. 10 each)	557,989	557,989
Amount remitted for the year (Rs.)	8,369,835	6,974,863

The above information pertains to a non-resident shareholder to whom direct remittance has been made by the Company.

21. Earnings in Foreign Exchange :

	Current Year Rs.	Previous Year Rs.
(a) Export of goods on F.O.B. Basis (inclusive of exports of Export House)	4,612,490,390	4,394,989,243
(b) Others	4,368,773	7,247,548
Total...	4,616,859,163	4,402,236,791

22. Hedged / Un-hedged Foreign Exposure :

The following currency transactions remain outstanding :

(A) Un-hedged Exposure

Nature	Currency	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Export Receivables	EURO	(21,995,260)	30,618,221
Export Receivables	USD	605,861,943	778,896,106
Import Payables	USD	315,018,320	203,633,355
Import Payables	EURO	1,627,736	805,041
Import Payables	CHF	30,873	—
Import Payables	JPY	187,502	—
Packing Credit (Pre-shipment)	USD	184,219,835	90,660,000
Packing Credit (Post-shipment)	USD	63,936,868	—
EXIM Bank Term Loan	USD	41,370,638	54,798,933
Buyer's Credit	USD	111,461,389	—
ECB Loan	EURO	886,730,000	—
Loan to Sudarshan Europe B.V.	USD	41,676,989	41,657,000
Loan to Sudarshan Europe B.V.	EURO	120,195,639	22,061,265

(B) Hedged Exposure (Forward Exchange Contracts)

Nature	Currency	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Export Receivables	EURO	440,388,368	387,774,399
Export Receivables	USD	316,228,944	69,311,702

Note : The Company has also hedged the interest rate on foreign currency loan of EURO 13 million (Previous Year : EURO Nil) by swapping floating interest rate of LIBOR plus 279 Basis Point to fixed interest rate of 3.20% p.a.

23. Earnings per Share (EPS) :

Particulars	31-03-2015	31-03-2014
Net Profit After Tax available for Equity Shareholders	424,072,841	344,177,677
Equity Shares outstanding at year end	69,227,250	6,922,725
Add : Equity Shares of Rs.10 each are sub-divided to 5 shares of Rs. 2 each	-	27,690,900
Add : Bonus shares allotted on 4th October, 2014 in the ratio 1 : 1 by capitalisation of General Reserve	-	34,613,625
Weighted Average number of equity shares used to compute basic earnings per share	69,227,250	69,227,250
Earnings per share basic and diluted (Rs.)	6.13	4.97

Note : Earnings per share of previous periods have been re-stated to make them comparable due to sub-division of shares and issue of bonus shares.

24. Managerial Remuneration :

	Mr. P.R. Rathi Vice Chairman and Managing Director	(Amount in Rs.) Mr. R.B.Rathi Deputy Managing Director
Salary and Other Allowances	16,507,057 (14,595,564)	17,094,264 (12,946,800)
Contribution to Provident Fund and Other Funds	1,879,200 (1,879,200)	1,280,772 (1,280,772)
Other Perquisites	67,800 (432,600)	67,800 (299,626)
Commission	6,000,000 (5,500,000)	6,000,000 (5,500,000)
Total ...	24,454,057 (22,406,764)	24,442,836 (20,027,198)

25. Expenses Capitalized during the year are as below :

	Current Year	Previous Year
	Rs.	Rs.
(A) Employee Cost	3,497,952	2,003,270
(B) Borrowing Cost	—	3,995,790
Total...	3,497,952	5,999,060

26. Foreign Exchange Difference Capitalised during the year :

The Company has taken an ECB loan amounting to Euro 13 million during the FY 2014-15 from State Bank of India, Dubai, for a term of 5.5 years on a secured basis and was drawn in FY 14-15 for the purpose of repayment of Rupee-term loans taken in earlier years for the purpose of procurement of fixed assets. The foreign exchange difference arising out of re-alignment of the value of the foreign currency loan has been adjusted in the carrying cost of the respective fixed assets and has been depreciated over their remaining depreciable life as follows:

	Current Year	Previous Year
	Gain / (Loss)	Gain / (Loss)
	Rs.	Rs.
(i) Plant and Machinery	129,089,260	—
(ii) Buildings	24,291,964	—
(iii) R&D Plant and Machinery	3,081,353	—
(iv) R&D Buildings	1,487,423	—
Total...	157,950,000	—

27. Revision in Depreciation Rates as per Schedule II of Companies Act, 2013 :

The Company has revised depreciation rates on fixed assets according to the useful life as specified in the Schedule II to the Companies Act, 2013 or on the basis of its assessment made by the Company as permitted by the said Schedule. Had there not been change in depreciation rates, the depreciation for the year ended 31st March, 2015, would have been lower by Rs. 12,616,125.

The depreciation on the basis of Revised Schedule II on assets whose useful life is already exhausted before 1st April, 2014, of Rs. 10,837,856 (net of deferred tax impact thereon of Rs. 5,580,651) has been adjusted to General Reserve and included in total depreciation of Rs. 413,944,367 in depreciation and amortisation of fixed assets disclosed in Note 11 and 12.

28. Intangibles – disclosure as per AS - 26 :

Asset	Remaining amortization	Carrying amount
		Rs.
Goodwill	4 years and 6 months	36,991,571
	(-)	(-)
Computer Software	6 years	37,342,995
	(7 years)	(33,410,938)
Technical Know-how	2 years	52,701,104
	(3 years)	(62,919,614)
Registrations	7 years	38,957,643
	(8 years)	(30,432,373)
Total...		165,993,313
		(126,762,925)

29. Details of Other Current Liabilities :

	As at 31 st March 2015 Rs.	As at 31 st March 2014 Rs.
Outstanding Expenses	231,921,784	146,929,789
Debtor's Credit Balances	59,799,176	58,137,125
Export Commission Payable	50,690,617	38,984,649
Director Commission Payable	14,500,000	25,651,750
Salaries	13,801,547	18,730,644
Deposit from Employees	9,260,068	7,641,921
Others	8,941,383	6,227,734
Total...	388,914,575	302,303,612

30. Details of Other Current Assets :

	As at 31 st March 2015 Rs.	As at 31 st March 2014 Rs.
Accrued Income	21,967,137	2,650,281
Mediclaime, Excise Duty Recoverable	18,041,183	8,551,192
Gratuity Receivable	1,740,726	2,341,999
Total...	41,749,046	13,543,472

31. Lease Rent :

The Company has taken residential accommodation, office premises and warehouses on lease / rental basis. Lease period varies from one month to twelve months. These lease are cancellable in nature. Lease / rentals recognised in the Statement of Profit and Loss is Rs. 12,708,258 (Previous Year : Rs. 8,757,158).

32. Amount spent towards Corporate Social Responsibility :

During the year the Company has incurred CSR expenses of Rs. 5,266,843 which includes contribution / donation of Rs. 2,997,500 to trusts (related party) which are engaged in activities eligible under Section 135 of Companies Act, 2013 read with Schedule VII thereto and other expenses of Rs. 1,866,343 directly incurred by the Company.

33. General expenses include donation to Political Party (Nationalist Congress Party) Rs. 2,000,000 (Previous Year : Rs. 2,500,000)**34. The Company has reclassified previous year's figures to conform to this year's classification.**

The figures in brackets are those in respect of previous year.

As per our report of even date.	For and on behalf of the Board of Directors		
For B.K.KHARE & Co. Chartered Accountants Firm Regn. No.:105102W	K.L.RATHI Chairman	P.R.RATHI Vice-Chairman & Managing Director	V.V.THAKUR Deputy General Manager - Finance (Acting CFO)
NARESH KUMAR KATARIA Partner Membership No.:037825 Pune : 27 th May, 2015	R.B.RATHI Deputy Managing Director Pune : 27 th May, 2015	N.J.RATHI Director	P.S.RAGHAVAN Company Secretary

SUDARSHAN CHEMICAL INDUSTRIES LIMITED

Consolidated Financial Statements for the Financial Year 2014-15

INDEPENDENT AUDITOR'S REPORT

To the Members of Sudarshan Chemical Industries Ltd

Report on the Consolidated Financial Statements

1. We have audited the accompanying Consolidated Financial Statements of Sudarshan Chemical Industries Limited (hereinafter referred to as "the Company") and its subsidiaries (together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
4. While conducting the audit, we have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub- paragraph 10 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

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

Other Matters

9. We did not audit the Financial Statements of three subsidiaries, whose Financial Statements reflect total assets of Rs.2,314,217,020 as at 31st March, 2015, total revenues of Rs. 2,968,013,494 and net cash flows amounting to Rs. 14,182,947 for the year ended on that date, as considered in the Consolidated Financial Statements. These Financial Statements / Financial Information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Statements certified by the Management.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and the auditors' reports issued in accordance with the Order on subsidiary companies audited by other auditors, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
11. As required by Section 143(3) of the Act, we report, to the extent applicable.
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
 - b. In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Financial Statements;
 - d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors of the Company as on 31st March, 2015 taken on record by the Board of Directors of the Company, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated Financial Position of the Group. - Ref. Note No. 5(i) of Note No. 29 of the consolidated financial statements;

- ii. The Group did not have any material foreseeable losses on long term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies incorporated in India.

For B. K. Khare and Co.
Chartered Accountants
Firm Registration No. : 105102W

Naresh Kumar Kataria
Partner
Membership No.037825

Pune : 27th May, 2015

ANNEXURE TO THE AUDITOR'S REPORT

Annexure to the Independent Auditors' Report referred to in paragraph 10 of Report on Other Legal and Regulatory Requirements in our report of even date

Our reporting on the Order includes subsidiary companies incorporated in India on which the auditors have reported in accordance with the Order. Our report in respect of these subsidiaries incorporated in India is based solely on the reports of the other auditors.

- i. In respect of the fixed assets of the Company and its aforesaid subsidiaries
 - a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion based on the auditors' reports issued on the aforesaid subsidiaries, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies as compared to book records were noticed on assets verified during the year.
- ii. In respect of the Inventories of the Company and its aforesaid subsidiaries:
 - a) As explained to us and based on the auditors' report issued in accordance with the Order on the aforesaid subsidiaries, we report that the inventory has been physically verified during the year by the Management of the respective entities during the year. In our opinion, the frequency of the verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid subsidiaries, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and respective subsidiaries and the nature of their business.
 - c) In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid subsidiaries, are maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of accounts.
- iii. The Company and its aforesaid subsidiaries have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under section 189 of the Act
- iv. Based on the auditors' report issued in accordance with the Order on the aforesaid subsidiaries, having regard to the explanation that, there is an adequate internal control system to commensurate with the size of the Group and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit and based on auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

- v. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid subsidiaries, these subsidiaries have not accepted any deposits to which the directives issued by the Reserve Bank of India and the provisions of Sections 73-76 of the Act apply. Accordingly, the provisions of clause 3(v) of the Order are not applicable to its aforesaid subsidiaries.

- vi. We have broadly reviewed the books of accounts maintained by the Company in respect of a products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid subsidiaries, the Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the subsidiary companies.

- vii. In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid subsidiaries:

- a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Service Tax Dues, the Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Duty of Customs, Duty of Excise, Value Added Tax and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory Service Tax outstanding as at 31st March, 2015 Rs. 4,255,974, for a period of more than six months from the date they became payable. The said arrears have since been paid.

The aforesaid subsidiaries have generally been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax And Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other applicable statutory dues with the appropriate authorities.

There were no undisputed amounts payable by the aforesaid subsidiaries in respect of Income Tax, VAT, Wealth Tax, Service Tax, Customs duty, Excise duty and Cess are in arrears, as on 31st March, 2015 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and records of the Company examined by us, particulars of dues of Sales Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of disputes are as under:

Name of the Statute	Nature of Dues	Amount (Rs.)	Financial Years to which it pertains	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty	17,669,029	2004-05 to 2014-15	Assistant Commissioner of Central Excise
The Central Excise Act, 1944	Excise Duty	4,264,193	2004-05 to 2011-12	Custom, Excise & Service Tax Appellate Tribunal
The Central Excise Act, 1944	Excise Duty	140,238	2012-13 and 2014-15	Superintendent of Central Excise
Maharashtra VAT Act, 2002	VAT	11,473,731	2006-07 to 2010-11	Joint Commissioner of Sales Tax (Appeal 01)
Tamil Nadu VAT Act, 2006	VAT	623,691	2003-04	Assistant Commissioner, Commercial Tax Department Coimbatore
Andhra Pradesh VAT Act, 2005	VAT	826,015	2007-08	Assistant Commissioner, Commercial Tax Department (LTU)
Karnataka VAT Act, 2003	VAT	76,959	2008-09	The Commercial Tax Inspector, Commercial Tax Check Post
Maharashtra VAT Act, 2002	VAT	2,995,202	1994-95, 2001-02 and 2002-2003	Tribunal
Maharashtra VAT Act, 2002	VAT	6,839,798	2005-07 and 2008-10	Joint Commissioner of Sales Tax
TOTAL		44,908,856		

- c) The amount required to be transferred to Investor Education and Protection Fund by the Company have been transferred within the stipulated time in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

There are no amounts required to be transferred by the subsidiary companies in India to the Investor Education and Protection Fund in accordance with the provisions of the Act and the rules made there under.

- viii. The Group does not have accumulated losses as at the end of the Financial Year and has not incurred cash losses in the current and the immediately preceding Financial Year, except in the case of a subsidiary which has incurred cash losses in the current year and no cash loss immediately preceding Financial Year.
- ix. In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid subsidiaries, the respective entities have not defaulted in repayment of dues to any financial institution or bank or Debenture holders as at the Balance Sheet date.

- x. In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid subsidiaries, the respective entities have not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Group.

Sr. No.	Nature of Guarantee	Beneficiary Subsidiary	Issued in favour of	To the extent of amount of guarantee
1	Corporate Guarantee	Sudarshan Europe B. V.	HSBC Limited, London, UK	Euro 3 Million
2	Corporate Guarantee	Sudarshan North America, Inc.	Export-Import Bank of India	USD 3 Million

- xi. In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid subsidiaries, in our opinion the term loans availed by the respective entities have been applied by the aforesaid companies for the purposes for which they were obtained.
- xii. To the best of our knowledge and belief and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid subsidiaries, during the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For B. K. Khare and Co.
Chartered Accountants
Firm Registration No. : 105102W

Naresh Kumar Kataria
Partner
Membership No.037825

Pune : 27th May, 2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	138,454,500	69,227,250
(b) Reserves and Surplus	2	2,487,539,037	2,640,679,569
		2,625,993,537	2,709,906,819
(2) Non-current Liabilities			
(a) Long-term borrowings	3	1,613,254,922	1,830,817,720
(b) Deferred tax liabilities (Net)	4	363,717,506	348,158,093
(c) Other long-term liabilities	5	28,774,008	27,793,708
(d) Long-term provisions	6	63,795,519	54,708,024
		2,069,541,955	2,261,477,545
(3) Current Liabilities			
(a) Short-term borrowings	7	2,212,343,919	1,858,194,021
(b) Trade payables	8	1,884,258,728	1,130,761,835
(c) Other current liabilities	9	1,086,332,025	1,149,243,907
(d) Short-term provisions	10	231,923,297	176,232,141
		5,414,857,969	4,314,431,904
Total		10,110,393,461	9,285,816,268
II. ASSETS			
(1) Non-current Assets			
(a) Fixed assets			
(i) Tangible assets	11	3,071,807,409	3,145,897,201
(ii) Intangible assets	12A	170,886,606	126,762,925
(iii) Capital work-in-progress		79,680,863	67,147,122
(b) Goodwill on consolidation	12B	86,159,383	-
(c) Non-current investments	13	2,964,697	2,864,697
(d) Long-term loans and advances	14	251,745,127	225,880,759
(e) Other non-current assets	15	-	2,500,000
		3,663,244,085	3,571,052,704
(2) Current Assets			
(a) Inventories	16	2,501,667,308	2,583,111,312
(b) Trade receivables	17	3,222,161,348	2,583,259,297
(c) Cash and cash equivalents	18	225,543,159	153,040,337
(d) Short-term loans and advances	19	419,555,392	302,415,894
(e) Other current assets	20	78,222,169	92,936,724
		6,447,149,376	5,714,763,564
Total		10,110,393,461	9,285,816,268
See accompanying Notes to The Consolidated Financial Statements	29		

The accompanying notes form an integral part of The Consolidated Financial Statements.

As per our report of even date.

For and on behalf of the Board of Directors

For B.K.KHARE & Co.
Chartered Accountants
Firm Regn. No.:105102W

K.L.RATHI
Chairman

P.R.RATHI
Vice-Chairman &
Managing Director

V.V.THAKUR
Deputy General
Manager - Finance
(Acting CFO)

NARESH KUMAR KATARIA
Partner
Membership No.:037825

R.B.RATHI
Deputy
Managing Director

N.J.RATHI
Director

P.S.RAGHAVAN
Company Secretary

Pune : 27th May, 2015

Pune : 27th May, 2015

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No.	Current Year Rs.	Previous Year Rs.
I. Revenue from operations	21	13,135,536,926	12,032,564,635
Less : Excise duty		953,993,433	846,260,584
		12,181,543,493	11,186,304,051
II. Other Income	22	218,330,425	37,830,265
III. Total Revenue (I + II)		12,399,873,918	11,224,134,316
IV. Expenses :			
Cost of materials consumed	23	5,332,412,219	6,122,238,360
Cost of goods traded	24	2,085,625,500	424,319,378
Changes in inventories of finished goods and work-in-progress	25	(111,684,533)	(9,803,495)
Employee benefit expense	26	940,086,802	796,466,274
Finance costs	27	369,704,472	406,545,820
Depreciation and amortization expense (Ref. Note No.17 of Note No. 29)	11,12	419,098,276	367,641,745
Other expenses	28	2,648,702,313	2,562,153,658
Total Expenses		11,683,945,049	10,669,561,740
V. Profit / (Loss) before exceptional, extraordinary items and tax (III - IV)		715,928,869	554,572,576
VI. Exceptional Items		-	-
VII. Profit / (Loss) before extraordinary items and tax (V - VI)		715,928,869	554,572,576
VIII. Extraordinary Items		-	-
IX. Profit / (Loss) before tax (VII - VIII)		715,928,869	554,572,576
X. Tax Expense :			
(1) Current Tax		124,622,129	124,000,000
(2) MAT Credit (Entitlement) / Utilised (Net)		28,600,000	(15,800,000)
(3) Deferred Tax		18,915,529	95,896,932
Total Tax Expense		172,137,658	204,096,932
XI. Profit / (Loss) for the period from continuing operations		543,791,211	350,475,644
XII. Profit / (Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit / (Loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XV. Profit / (Loss) for the period (XI + XIV)		543,791,211	350,475,644
XVI. Earnings per equity share, Basic and Diluted (Rs. Per Equity Share of Rs. 2 each) (Ref. Note No. 13 of Note No. 29)		7.86	5.06
See accompanying Notes to The Consolidated Financial Statements	29		

The accompanying notes form an integral part of The Consolidated Financial Statements.

As per our report of even date.

For B.K.KHARE & Co.
Chartered Accountants
Firm Regn. No.:105102W

For and on behalf of the Board of Directors

K.L.RATHI
Chairman

P.R.RATHI
Vice-Chairman &
Managing Director

V.V.THAKUR
Deputy General
Manager - Finance
(Acting CFO)

NARESH KUMAR KATARIA
Partner
Membership No.:037825
Pune : 27th May, 2015

R.B.RATHI
Deputy
Managing Director
Pune : 27th May, 2015

N.J.RATHI
Director

P.S.RAGHAVAN
Company Secretary

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

Particulars	March 31,2015 Rs.	March 31,2014 Rs.
Cash flow from operating activities		
Profit / (Loss) before tax from operations	715,928,869	554,572,576
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / amortization on Goodwill	2,427,025	-
Depreciation / amortization	416,671,251	367,641,745
Loss / (Profit) on sale or write off of fixed assets	2,661,752	13,233,742
Unrealized foreign exchange Loss / (Gain)	20,070,386	(51,854,036)
Provision for doubtful debt	10,180,036	441,007
Provision for doubtful advances	-	3,000,000
Interest expense	369,704,472	406,545,820
Interest income	(15,722,020)	(6,842,645)
Operating profit before working capital changes	1,521,921,771	1,286,738,209
Movements in working capital :		
Increase / (decrease) in Deferred Tax Liabilities	2,224,535	-
Increase / (decrease) in trade payables	751,870,782	101,534,764
Increase / (decrease) in long-term provisions	9,087,495	1,836,942
Increase / (decrease) in short-term provisions	31,365,173	3,079,082
Increase / (decrease) in other current liabilities	148,405,785	56,937,150
Increase / (decrease) in other long-term liabilities	980,300	(17,452)
Decrease / (increase) in trade receivables	(626,041,886)	(489,282,253)
Decrease / (increase) in inventories	(417,005,996)	(306,729,435)
Decrease / (increase) in long-term loans and advances	(48,762,965)	(3,305,980)
Decrease / (increase) in short-term loans and advances	(117,139,498)	(8,819,143)
Decrease / (increase) in other current assets	14,714,555	(41,333,860)
Decrease / (increase) in other non-current assets	2,500,000	500,000
Cash generated from / (used in) operations	1,274,120,050	601,138,024
Direct taxes paid	(142,275,000)	(117,970,000)
Net cash flow from / (used in) operating activities (A)	1,131,845,050	483,168,024
Cash flows from investing activities :		
Purchase of fixed assets, including intangible assets, CWIP and Capital advances	(567,415,359)	(309,276,573)
Proceeds from sale of fixed assets	3,097,687	3,488,137
Goodwill	(88,586,408)	-
Purchase of non-current investments	(100,000)	-
Investments in bank deposits (Having original maturity of more than three months) (Net)	1,646,795	17,574,331
Interest received	15,722,020	7,689,739
Net cash flow from / (used in) investing activities (B)	(635,635,265)	(280,524,366)
Cash flows from financing activities :		
Proceeds from long-term borrowings	1,241,897,536	457,618,755
Repayment of long-term borrowings	(1,524,851,588)	(624,774,377)
Proceeds from short-term borrowings (Net)	352,657,398	199,684,392
Interest paid	(370,274,879)	(406,990,427)
Dividend and Dividend Tax Paid	(121,488,635)	(101,240,533)
Net cash flow from / (used in) financing activities (C)	(422,060,168)	(475,702,190)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	74,149,617	(273,058,532)
Cash and cash equivalents at the beginning of the year	133,462,417	406,520,949
Cash and cash equivalents at the end of the year	207,612,034	133,462,417
Components of cash and cash equivalents		
Cash on hand	2,170,698	2,079,499
With banks :		
on current account	111,010,806	128,153,236
on deposit account	90,933,602	224,000
unclaimed dividend accounts*	3,496,928	3,005,129
Lien Account	-	553
Total cash and cash equivalents (Ref. Note No. 18)	207,612,034	133,462,417

Notes :

1) The above Cash Flow Statement have been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement, prescribed under Section 133 of the Companies Act, 2013.

2) Previous year's figures have been regrouped wherever necessary to conform to the current year classification.

* The Company can utilise these balances only towards settlement of the respective unpaid dividend.

The accompanying notes form an integral part of The Consolidated Financial Statements.

As per our report of even date.

For B.K.KHARE & Co.

Chartered Accountants

Firm Regn. No.:105102W

For and on behalf of the Board of Directors

K.L.RATHI

Chairman

P.R.RATHI

Vice-Chairman &
Managing Director

V.V.THAKUR

Deputy General
Manager - Finance
(Acting CFO)

NARESH KUMAR KATARIA

Partner

Membership No.:037825

Pune : 27th May, 2015

R.B.RATHI

Deputy

Managing Director

Pune : 27th May, 2015

N.J.RATHI

Director

P.S.RAGHAVAN

Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
	SHAREHOLDERS' FUNDS :		
1	SHARE CAPITAL		
	Equity Share Capital :		
	AUTHORISED :		
	75,000,000 Equity Shares of Rs. 2 each (Previous Year : 8,000,000 of Rs.10 each).	<u>150,000,000</u>	<u>80,000,000</u>
	ISSUED :		
	* 69,227,750 Equity Shares of Rs. 2 each (Previous Year : 6,922,775 of Rs.10 each).	<u>138,455,500</u>	<u>69,227,750</u>
	SUBSCRIBED AND PAID-UP :		
	69,227,250 Equity Shares of Rs. 2 each (Previous Year : 6,922,725 of Rs.10 each) fully paid-up.	<u>138,454,500</u>	<u>69,227,250</u>
	* Allotment of 500 Rights Equity Shares of Rs. 2 each (Previous Year : 50 of Rs.10 each) is kept in abeyance, matter being sub-judice.		
	(a) Reconciliation of the shares outstanding at the beginning and at the end of the year :		
	At the beginning of the year	No. 6,922,725 Rs. 69,227,250	No. 6,922,725 Rs. 69,227,250
	Equity Shares of Rs.10 each are sub-divided into Rs. 2 each	34,613,625 69,227,250	- -
	Add : Bonus shares allotted during the year in the ratio 1 : 1	34,613,625 69,227,250	- -
	Less : Shares bought back during the year	- -	- -
	Outstanding at the end of the year	69,227,250 138,454,500	6,922,725 69,227,250
	(b) Terms / Rights attached to equity shares :		
	The Company has only one class of equity shares having a par value of Rs. 2 per share (Previous Year : Rs.10 each). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.		
	During the Financial Year ended 31 st March, 2015, the amount of per share proposed dividend recognised as distribution to the equity shareholders is Rs. 1.75 on equity share of Rs. 2 per share (Previous Year : Rs. 15 on equity share of Rs. 10 per share).		
	In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
	(c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates :		
	The Company does not have any holding or ultimate holding company.		
	(d) Details of shareholders holding more than 5% shares in the company :		
	Mr. Pradeep R. Rath	No. 3,823,450 % 5.52	No. 382,345 % 5.52
	Mr. Rahul P. Rath	4,754,540 6.87	475,454 6.87
	Mr. Anuj N. Rath	3,827,620 5.53	382,762 5.53
	DIC Corporation, Japan	5,579,890 8.06	557,989 8.06

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.		As at 31-03-2014 Rs.	
2	RESERVES AND SURPLUS				
	(a) CAPITAL RESERVE				
	Balance at the beginning of the year	5,044,100		5,044,100	
	Additions during the year	-		-	
	Less : Deductions during the year	-		-	
	Balance at the end of the year	<u>5,044,100</u>	<u>5,044,100</u>	<u>5,044,100</u>	5,044,100
	(b) SECURITIES PREMIUM ACCOUNT				
	Balance at the beginning of the year	132,115,000		132,115,000	
	Additions during the year	-		-	
	Less : Deductions during the year	-		-	
	Balance at the end of the year	<u>132,115,000</u>	<u>132,115,000</u>	<u>132,115,000</u>	132,115,000
	(c) REVALUATION RESERVE				
	Balance at the beginning of the year	498,450,000		498,450,000	
	Additions during the year	-		-	
	Less : Deductions during the year	498,450,000		-	
	<i>Ref. Note No. 6 of Note No. 29</i>				
	Balance at the end of the year	<u>-</u>	<u>-</u>	<u>498,450,000</u>	498,450,000
	(d) GENERAL RESERVE				
	Balance at the beginning of the year	1,604,115,720		1,544,115,720	
	Add : Transferred from Profit and Loss Account (Surplus)	60,000,000		60,000,000	
	Less : Deductions during the year -				
	Transferred to Paid - up Share Capital on issue of Bonus Shares	69,227,250		-	
	Depreciation (Net of Deferred Tax Liability Rs. 5,580,651 (Previous Year : Rs. Nil))	10,837,856		-	
	<i>Ref. Note No. 1(iv) & Note No. 17 of Note No. 29</i>				
	Balance at the end of the year	<u>1,584,050,614</u>	<u>1,584,050,614</u>	<u>1,604,115,720</u>	1,604,115,720
	(e) FOREIGN CURRENCY TRANSLATION RESERVE				
	Balance at the beginning of the year	(100,270,371)		(38,648,533)	
	Additions during the year	27,397,981		(61,621,838)	
	Less : Deductions during the year			-	
	Balance at the end of the year	<u>(72,872,390)</u>	<u>(72,872,390)</u>	<u>(100,270,371)</u>	(100,270,371)
	(f) PROFIT AND LOSS ACCOUNT (SURPLUS)				
	Surplus at the beginning of the year	501,225,120		332,238,111	
	Add : Profit After Tax for the year	543,791,211		350,475,644	
	Less : Appropriations				
	Proposed Equity Dividend	121,147,688		103,840,875	
	Tax on Proposed Equity Dividend	24,666,930		17,647,760	
	Transferred to General Reserve	60,000,000		60,000,000	
		<u>839,201,713</u>	<u>839,201,713</u>	<u>501,225,120</u>	501,225,120
	Total ...		<u>2,487,539,037</u>		<u>2,640,679,569</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
	NON-CURRENT LIABILITIES :		
3	LONG-TERM BORROWINGS		
	(a) SECURED LOAN FROM BANKS :		
	HDFC Bank Limited	-	128,000,000
	<i>Ref. Note Nos. i) and xiv) below</i>		
	Export - Import Bank of India (EXIM Bank)	170,367,306	94,652,268
	<i>Ref. Note Nos. ii), iii), viii) and xiv) below</i>		
	Bank of Maharashtra	57,277,116	791,830,452
	<i>Ref. Note Nos. iv) to vii), xi) to xiv) below</i>		
	State Bank of India	933,720,500	200,000,000
	<i>Ref. Note Nos. ix), x) and xiv) below</i>		
		1,161,364,922	1,214,482,720
	(b) UNSECURED LOAN FROM OTHERS :		
	Loans and Advances from Related Parties :		
	i) Intercompany Deposits	32,880,000	100,785,000
	<i>Ref. Note No. xv) below</i>		
	ii) Fixed Deposits		
	1) From Public	4,190,000	-
	2) From Shareholders	70,130,000	5,080,000
	<i>Ref. Note No. xvi) below and Note No. 10 of Note No. 29</i>		
	Loans and Advances from Others :		
	i) Intercompany Deposits	13,510,000	11,560,000
	<i>Ref. Note No. xv) below</i>		
	ii) Fixed Deposits		
	1) From Public	269,390,000	453,105,000
	2) From Shareholders	61,790,000	45,805,000
	<i>Ref. Note No. xvi) below and Note No. 10 of Note No. 29</i>		
		451,890,000	616,335,000
	Total ...	1,613,254,922	1,830,817,720

- i) Term Loan from HDFC Bank Limited of Rs. 36 Crores (outstanding Rs. Nil (P.Y. Rs. 128,000,000)) was taken in Financial Year 2011-12 and carries interest @ 10.70% p.a. The loan has been fully repaid during the year.
- ii) Corporate Term Loan from EXIM Bank of Rs. 15 Crores (outstanding Rs. 150,000,000 (P.Y. Rs. Nil)) was taken in Financial Year 2014-15 and carries interest @ 11.00% p.a. The loan is repayable in 16 quarterly instalments of Rs. 94 Lacs each from July 2016.
- iii) Term Loan from EXIM Bank of Rs. 36 Crores (outstanding Rs. Nil (P.Y. Rs. 60,000,000)) was taken in parts till March 31, 2012 and carries interest @ 10.85% p.a. The loan has been fully repaid during the year.
- iv) Term Loan from Bank of Maharashtra of Rs. 35 Crores (outstanding Rs. Nil (P.Y. Rs. 79,848,771)) was taken in Financial Year 2010-11 and carries interest @ 10.50% p.a. The loan is repayable in 46 monthly instalments of Rs. 73 Lacs each from March 2012 and 1 instalment is of Rs. 69 Lacs.
- v) Term Loan from Bank of Maharashtra of Rs. 42 Crores (outstanding Rs. Nil (P.Y. Rs. 251,866,043)) was taken in parts till March 31, 2012 and carries interest @ 10.90% p.a. The loan has been fully repaid during the year.
- vi) Term Loan from Bank of Maharashtra of Rs. 16.85 Crores (outstanding Rs. Nil (P.Y. Rs. 117,944,975)) was taken in Financial Year 2012-13 and carries interest @ 10.65% p.a. The loan has been fully repaid during the year.
- vii) Term Loan from Bank of Maharashtra of Rs. 42 Crores (outstanding Rs. Nil (P.Y. Rs. 280,000,000)) was taken in Financial Year 2012-13 and carries interest @ 10.40% p.a. The loan has been fully repaid during the year.
- viii) Term Loan from EXIM Bank of USD 1 Million (outstanding Rs. 20,367,306 (P.Y. Rs. 34,652,268)) was taken in parts till March 31, 2014 and carries interest @ LIBOR + 475 b.p.s. p.a. The loan is repayable in 12 quarterly instalments of USD 0.83 Lacs each from March 2014.
- ix) Corporate Term Loan from SBI of Rs. 30 Crores (outstanding Rs. 180,000,000 (P.Y. Rs. 200,000,000)) was taken in parts till March 31, 2014 and carries interest @ 10.85% p.a. The loan is repayable in 8 quarterly instalments of Rs. 250 Lacs each from June 2014.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- x) ECB Loan from SBI, Dubai, of EURO 13 Million (outstanding Rs. 753,720,500 (P.Y. Rs. Nil)) was taken in Financial Year 2014-15 and carries interest @ 3.20% p.a. The loan is repayable in 20 quarterly instalments of EURO 6.50 Lacs each from July 2015.
- xi) Term Loan from Bank of Maharashtra of Rs. 6.16 Crores (outstanding Rs. 31,213,032 (P.Y. Rs. 40,110,614)) is taken in Financial Year 2012-13 and carries interest @ 12.75% p.a. The loan is repayable in 84 monthly installments of Rs. 7.34 Lacs from October 2012.
- xii) Term Loan from Bank of Maharashtra of Rs. 66 lacs (outstanding Rs. 3,488,330 (P.Y. Rs. 4,446,534)) is taken in Financial Year 2012-13 and 2013-14 and carries interest @ 12.75% p.a. The loan is repayable in 84 monthly installments of Rs. 0.79 Lacs from December 2012.
- xiii) Term Loan from Bank of Maharashtra of Rs. 10 Crores (outstanding Rs. 22,575,754 (P.Y. Rs. 17,613,515)) is taken in parts upto March 31, 2015 and carries interest @ 12.75% p.a. The loan is repayable in 84 monthly installments of Rs. 16.67 Lacs from February 2016.
- xiv) **Nature of Security:**
- (a) The Term Loan of Export Import Bank of India (EXIM Bank) of Rs. 15 Crores is secured by a First Pari Passu Charge by way of hypothecation of the entire movable fixed assets both present and future situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune and further to be secured by way of mortgage by First Pari Passu Charge over the entire fixed assets including immovable properties of the Company situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune.
- (b) The Foreign Currency Term Loan of USD 1.00 Million (Rs.5.50 Crores approx.) from Import Export Bank of India (EXIM Bank) is secured by a First Pari Passu Charge on the entire fixed assets of the Company. Also the said Foreign Currency Loan is secured by a mortgage charge on the immovable properties of the Company situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune.
- (c) The Corporate Loan of Rs. 30 Crores from State Bank of India (SBI), Pune is secured a First Pari Passu Charge on the movable fixed assets and current assets of the Company. Also the said Corporate Loan is secured by a mortgage charge on the immovable properties of the Company situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune.
- (d) The External Commercial Borrowing (ECB) of Euros 13 Million (Equivalent Indian Rs.110 Crores) from State Bank of India (SBI), D.I.F.C., Dubai, U.A.E. is secured by a First Pari Passu Charge on all the movable fixed assets both present and future situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune and further secured by way of Supplemental Deed of Mortgage by First Pari Passu Charge on the immovable properties of the Company situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune.
- (e) The Term Loan of Bank of Maharashtra of Rs. 35 Crores is secured by a First Pari Passu Charge by way of hypothecation of the entire movable fixed assets both present and future situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune and further to be secured by way of mortgage by First Pari Passu Charge over the entire fixed assets including immovable properties of the Company situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amrlevadi, Dist. Pune.
- (f) Term loan from Bank of Maharashtra of Rs. 6.16 Crores is secured by hypothecation of machinery, equipment and other movable fixed assets, both present and future, and further by a registered mortgage of immovable fixed assets of the Company situated at Gat No. 1162, Tal. Mulshi, Pirangut, Pune-412 108.
- (g) Term Loan from Bank of Maharashtra of Rs. 66 Lacs is secured by hypothecation of machinery, equipment and other movable fixed assets, both present and future, and further by a registered mortgage of immovable fixed assets of the Company situated at Gat No. 1162, Tal. Mulshi, Pirangut, Pune-412 108.
- (h) Term Loan from Bank of Maharashtra of Rs. 10 Crores is secured by hypothecation of all movable fixed assets, both present and future, excluding vehicles and further by a registered mortgage of immovable fixed assets, both present and future, of the Company situated at Gat No. 1162, Tal. Mulshi, Pirangut, Pune-412 108.
- xv) Intercompany Deposits are accepted for period of 3 years. Rate of Interest is 10.25% p.a.
- xvi) Fixed Deposits are accepted for period of 3 years. Rate of Interest is 10.25% p.a.
- xvii) Above borrowings maturing within 12 months are disclosed in Note No. 9 (a).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
4	DEFERRED TAX LIABILITIES (NET)		
	Deferred Tax Liabilities :		
	Depreciation	386,961,912	368,362,634
		386,961,912	368,362,634
	Deferred Tax Assets :		
	Expenditure accrued, allowable on actual payment	23,244,406	20,204,541
		23,244,406	20,204,541
	Deferred Tax Liabilities (Net)	363,717,506	348,158,093
	<i>Ref. Note No. 1 (xiii) of Note No. 29</i>		
5	OTHER LONG-TERM LIABILITIES		
	Security Deposits	28,774,008	27,793,708
	Total ...	28,774,008	27,793,708
6	LONG-TERM PROVISIONS		
	PROVISION FOR POST RETIREMENT BENEFITS :		
	Pension	63,795,519	54,708,024
	<i>Ref. Note No.1 (xii) and Note No. 8 (A) 2 (a) of Note No. 29</i>		
	<i>For Current maturity Ref. Note No. 10 (a)</i>		
	Total ...	63,795,519	54,708,024

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
	CURRENT LIABILITIES :		
7	SHORT-TERM BORROWINGS		
	LOANS REPAYABLE ON DEMAND :		
	FROM BANKS -		
	(a) SECURED LOANS :		
	Working Capital Borrowings	1,261,350,229	1,365,694,021
	Ref. Note Nos. i) to xvii) below		
	(b) UNSECURED LOANS :		
	Short-Term Loans	950,993,690	492,500,000
	Ref. Note Nos. xviii) to xxv) below		
	Total ...	2,212,343,919	1,858,194,021
i)	Working Capital Loan (Cash Credit) Rs. 67,145,843 (P.Y. Rs. 266,263,384) from Bank of Maharashtra carries interest @ 11.25% p.a.		
ii)	Working Capital Loan (Cash Credit) Rs. 99,817,888 (P.Y. Rs. 86,382,278) from Bank of Maharashtra carries interest @ 12.75% p.a.		
iii)	Working Capital Loan (Cash Credit) Rs. 106,003,454 (P.Y. Rs. 434,035,188) from State Bank of India carries interest @ 11.25% p.a.		
iv)	Working Capital Loan (Cash Credit) Rs. 2,459,563 (P.Y. Rs. 4,088,703 (Debit)) from Bank of Baroda carries interest @ 11.25% p.a.		
v)	Working Capital Loan (Cash Credit) Rs. 32,560,525 (P.Y. Rs. 10,723,487) from HDFC Bank Limited carries interest @ 13.00% p.a.		
vi)	Working Capital Loan (Cash Credit) Rs. 52,368,389 (P.Y. Rs. 103,459,971) from ICICI Bank Limited carries interest @ 11.50% p.a.		
vii)	Working Capital Loan (Cash Credit) Rs. 7,998,725 (Debit) (P.Y. Rs. Nil) from Vijaya Bank Limited carries interest @ 13.75% p.a.		
viii)	Working Capital Loan (Cash Credit) Rs. 343,394,474 (P.Y. Rs. Nil) from Bank of Maharashtra carries interest @ 13.75% p.a.		
ix)	Working Capital Loan (PCFC) Rs. 126,020,000 (P.Y. Rs. 90,660,000) from State Bank of India carries interest @ LIBOR + 105 b.p.s. p.a. The Loan is repayable within 90 days from the date of borrowing.		
x)	Working Capital Loan (PCFC) Rs. 58,199,835 (P.Y. Rs. Nil) from HSBC Limited carries interest @ LIBOR + 110 b.p.s. p.a. The Loan is repayable within 90 days from the date of borrowing.		
xi)	Working Capital Loan (EPC) Rs. Nil (P.Y. Rs. 76,298,339) from HSBC Limited carries interest @ 10.10% p.a. The Loan is repayable within 180 days from the date of borrowing.		
xii)	Working Capital Loan (EPC) Rs. 30,000,000 (P.Y. Rs. Nil) from HDFC Bank Limited carries interest @ 10.00% p.a. The Loan is repayable within 180 days from the date of borrowing.		
xiii)	Working Capital Loan (Packing Credit (Post-shipment)) Rs. 63,936,868 (P.Y. Rs. Nil) from Bank of Maharashtra carries interest @ LIBOR + 215 b.p.s. p.a. The Loan is repayable within 90 days from the date of borrowing.		
xiv)	Short-Term Loan Rs. 204,630,000 (P.Y. Rs. 244,890,000) from HSBC Limited carries interest @ 3.62% p.a. The Loan is repayable within 90 days from the date of borrowing.		
xv)	Short-Term Loan Rs. Nil (P.Y. Rs. 10,000,000) from Bank of Maharashtra carries interest @ 12.75% p.a. The Loan is repayable within 90 days from the date of borrowing.		
xvi)	Buyer's Credit Loan Rs. 82,812,115 (P.Y. Rs. 47,070,077) from EXIM Bank carries interest @ LIBOR+500 Basis Points p.a. The loan is repayable within 180 days from the date of borrowing.		
xvii)	Nature of Security :		
	Working Capital Borrowings from Bank of Maharashtra led Consortium Banks consisting of Bank of Maharashtra, State Bank of India, Bank of Baroda, ICICI Bank Limited, HDFC Bank Limited and The Hong Kong and Shanghai Banking Corporation Limited are secured by a First Charge on the Current Assets of the Company viz. stock-in-trade, book debts, receivables and raw materials. These are further secured by second charge on the immovable properties of the Company situated at Roha, Mahad, Dist. Raigad and Ambadvet (Sutarwadi), Amralewadi, Dist. Pune by creation of a joint registered mortgage. Working Capital finance from the Bank of Maharashtra is secured by hypothecation of inventory of the Company situated at Gat No. 144, Alandi Markal Road, Alandi, Tal-Khed, Dist-Pune, 412 105 and receivables of the Company. Buyer's Credit Loan from EXIM Bank is secured by corporate guarantee of USD 3 Million issued by Sudarshan Chemical Industries Limited. Short-Term Loan from HSBC Limited is secured by corporate guarantee of EURO 3 Million issued by Sudarshan Chemical Industries Limited.		
xviii)	Working Capital Loan (EPC) Rs. 60,000,000 (P.Y. Rs. Nil) from Citibank N.A. carries interest @ 9.60% p.a. The Loan is repayable within 180 days from the date of borrowing.		
xix)	Short-Term Loan Rs. 400,000,000 (P.Y. Rs. Nil) from State Bank of India carries interest @ 10.25% p.a. The Loan is repayable within 90 days from the date of borrowing.		
xx)	Short-Term Loan Rs. Nil (P.Y. Rs. 250,000,000) from Bank of Maharashtra carries interest @ 10.65% p.a. The Loan is repayable within 90 days from the date of borrowing.		
xxi)	Short-Term Loan Rs. 70,000,000 (P.Y. Rs. 82,500,000) from HSBC Limited carries interest @ 9.85% p.a. The Loan is repayable within 90 days from the date of borrowing.		
xxii)	Short-Term Loan Rs. 200,000,000 (P.Y. Rs. 80,000,000) from Bank of Baroda carries interest @ 10.25% p.a. The Loan is repayable within 90 days from the date of borrowing.		
xxiii)	Short-Term Loan Rs. 60,000,000 (P.Y. Rs. 80,000,000) from HDFC Bank Limited carries interest @ 10.00% p.a. The Loan is repayable within 90 days from the date of borrowing.		
xxiv)	Buyer's Credit Loan in INR Rs. 49,532,301 (P.Y. Rs. Nil) from HSBC Limited carries interest @ 10.10% p.a. The Loan is repayable within 180 days from the date of borrowing.		
xxv)	Buyer's Credit Loan Rs. 111,461,389 (P.Y. Rs. Nil) from HDFC Bank Limited carries interest @ LIBOR + 106 b.p.s. p.a. The Loan is repayable within 180 days from the date of borrowing.		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
8	TRADE PAYABLES		
	(a) Other than acceptances	1,573,710,256	887,141,587
	(b) Acceptances	310,548,472	243,620,248
	Total ...	<u>1,884,258,728</u>	<u>1,130,761,835</u>
9	OTHER CURRENT LIABILITIES		
	(a) Current maturities of long-term debt :		
	<i>For non-current maturities Ref. Note No. 3</i>		
	- Secured Loans from Banks :		
	HDFC Bank Limited	-	96,000,000
	Export - Import Bank of India (EXIM Bank)	88,503,332	130,146,666
	Bank of Maharashtra	94,604,771	320,058,000
	State Bank of India	193,009,500	100,000,000
	Kotak Mahindra Prime Limited	-	117,381
	<i>For security & other terms Ref. Note Nos. i) to xiv) of Note No. 3</i>		
	- Unsecured Loans :		
	Loans and Advances from Related Parties :		
	i) Intercompany Deposits	91,975,000	4,475,000
	<i>Ref. Note No. xv) of Note No. 3</i>		
	ii) Fixed Deposits		
	1) From Public	-	5,100,000
	2) From Shareholders	-	6,980,000
	<i>Ref. Note No. xvi) of Note No. 3 and Note No. 10 of Note No. 29</i>		
	Loans and Advances from Others :		
	i) Intercompany Deposits	23,550,000	15,000,000
	<i>Ref. Note No. xv) of Note No. 3</i>		
	ii) Fixed Deposits		
	1) From Public	-	33,630,000
	2) From Shareholders	-	4,405,000
	<i>Ref. Note No. xvi) of Note No. 3 and Note No. 10 of Note No. 29</i>		
	(b) Interest accrued but not due on borrowings :	-	570,407
	(c) Liability towards Investor Education and Protection Fund :		
	(Under Section 125 of the Companies Act, 2013)		
	Unclaimed Dividend	3,496,928	3,005,129
	Unclaimed Matured Fixed Deposits	-	1,015,000
	<i>Ref. Note No. 10 of Note No. 29</i>		
	(d) Other payables :		
	Statutory Dues	104,255,282	82,637,244
	Other Liabilities	484,391,610	343,873,944
	<i>Ref. Note No. 20 of Note No. 29</i>		
	Creditors for Capital Goods	2,545,602	2,230,136
	Total ...	<u>1,086,332,025</u>	<u>1,149,243,907</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
10	SHORT-TERM PROVISIONS		
	(a) PROVISION FOR POST RETIREMENT BENEFITS :		
	Short-Term Compensated Absences <i>Ref. Note No. 1 (xii) of Note No. 29</i>	59,743,357	49,815,930
	Pension <i>Ref. Note No. 1 (xii) & Note No. 8 (A) 2 (a) of Note No. 29</i> <i>For Non-current maturity Ref. Note No. 6</i>	5,447,702	4,927,576
	Gratuity <i>Ref. Note No. 1 (xii) & Note No. 8 (A) 1 (c) of Note No. 29</i>	20,917,620	-
	(b) OTHERS :		
	i) Proposed Equity Dividend	121,147,688	103,840,875
	ii) Dividend Distribution Tax	24,666,930	17,647,760
	Total ...	231,923,297	176,232,141

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NON-CURRENT ASSETS :

FIXED ASSETS

Note No.	Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Balance As on 01-04-2014 Rs.	Additions Rs.	Deductions / Changes Rs.	Balance As on 31-03-2015 Rs.	Balance As on 01-04-2014 Rs.	For the Year Rs.	Deductions / Changes Rs.	Balance As on 31-03-2015 Rs.	Balance As on 31-03-2015 Rs.	Balance As on 31-03-2014 Rs.
11	TANGIBLE ASSETS:										
	FREEHOLD LAND*	49,555,932 (49,555,932)	71,550,000	401,794	120,704,138 (49,555,932)	-	-	-	-	120,704,138 (49,555,932)	49,555,932 (49,555,932)
	LEASEHOLD LAND	12,740,447 (12,740,447)	3,387,300	-	16,127,747 (12,740,447)	2,174,403 (2,028,404)	149,890 (145,999)	-	2,324,293 (2,174,403)	13,803,454 (10,566,044)	10,566,044 (10,712,043)
	BUILDINGS**	696,720,556 (578,701,681)	28,289,591 (118,018,875)	8,200,951	716,809,196 (696,720,556)	178,330,198 (159,822,027)	22,811,116 (18,508,171)	4,899,491	206,040,805 (178,330,198)	510,768,391 (518,390,358)	518,390,358 (418,879,654)
	PLANT & MACHINERY**	4,554,206,237 (4,467,015,250)	231,359,617 (280,272,181)	88,066,057 (193,081,194)	4,697,499,797 (4,554,206,237)	2,215,650,575 (2,096,322,455)	334,975,809 (299,475,077)	(15,984,483) (180,146,957)	2,566,610,867 (2,215,650,575)	2,130,888,930 (2,338,555,662)	2,338,555,662 (2,370,692,795)
	VEHICLES	54,654,357 (46,227,063)	7,852,309 (15,671,994)	7,209,580 (7,244,700)	69,716,246 (54,654,357)	18,375,014 (17,623,320)	13,815,320 (4,372,369)	(2,189,230) (3,620,675)	34,379,564 (18,375,014)	35,336,682 (36,279,343)	36,279,343 (28,603,743)
	FURNITURE & FIXTURES	43,613,566 (41,516,794)	1,648,760 (2,313,482)	(4,675,314) (216,710)	49,937,640 (43,613,566)	20,617,334 (18,172,685)	6,771,953 (2,511,493)	(3,060,635) (66,844)	30,449,922 (20,617,334)	19,487,718 (22,996,232)	22,996,232 (23,344,109)
	OFFICE EQUIPMENTS	16,197,058 (13,438,428)	1,442,945 (2,811,130)	(5,742,486) (52,500)	23,382,489 (16,197,058)	6,656,377 (6,035,543)	6,258,098 (665,355)	(4,018,881) (44,521)	16,933,356 (6,656,377)	6,449,133 (9,540,681)	9,540,681 (7,402,885)
	FIXED ASSETS - R&D										
	BUILDINGS**	97,268,967 (97,268,967)	3,145,269	1,487,423	98,926,813 (97,268,967)	17,288,742 (13,998,700)	1,358,127 (3,290,042)	-	18,646,869 (17,288,742)	80,279,944 (79,980,225)	79,980,225 (83,270,267)
	PLANT & MACHINERY**	166,952,698 (152,166,405)	87,370,737 (14,809,115)	3,081,353 (22,822)	251,242,082 (166,952,698)	88,637,151 (78,367,548)	10,109,292 (10,286,653)	-	98,746,443 (88,637,151)	152,495,639 (78,315,547)	78,315,547 (73,798,857)
	FURNITURE & FIXTURES	6,162,027 (6,127,192)	250,719 (34,835)	-	6,412,746 (6,162,027)	4,444,850 (4,203,262)	374,516 (241,588)	-	4,819,366 (4,444,850)	1,593,380 (1,717,177)	1,717,177 (1,923,930)
	Sub-Total	5,698,071,845 (5,464,758,159)	436,297,247 (433,931,612)	83,610,198 (200,617,926)	6,050,758,894 (5,698,071,845)	2,552,174,644 (2,396,573,944)	396,624,121 (339,496,747)	(30,152,720) (183,896,047)	2,978,951,485 (2,552,174,644)	3,071,807,409 (3,145,897,201)	3,145,897,201 (3,068,184,215)
12A	INTANGIBLE ASSETS:										
	GOODWILL ON ACQUISITION OF BUSINESS	-	41,101,746	-	41,101,746	-	4,110,175	-	4,110,175	36,991,571	-
	COMPUTER SOFTWARES	43,798,884 (34,271,941)	9,919,184 (9,526,943)	(7,920,795)	61,638,863 (43,798,884)	10,387,946 (6,032,140)	6,742,267 (4,355,806)	(2,272,362)	19,402,575 (10,387,946)	42,236,288 (33,410,938)	33,410,938 (28,239,801)
	TECHNICAL KNOW-HOW	142,595,147 (140,963,677)	495,093 (1,631,470)	(11,681,020)	154,771,260 (142,595,147)	79,675,533 (56,953,036)	22,394,623 (22,722,497)	-	102,070,156 (79,675,533)	52,701,104 (62,919,614)	62,919,614 (84,010,641)
	REGISTRATIONS	31,572,122 (8,766,514)	15,568,633 (22,805,608)	3,824,791	43,315,964 (31,572,122)	1,139,749 (73,054)	3,218,572 (1,066,695)	-	4,358,321 (1,139,749)	38,957,643 (30,432,373)	30,432,373 (8,693,460)
	Sub-Total	217,966,153 (184,002,132)	67,084,656 (33,964,021)	(15,777,024)	300,827,833 (217,966,153)	91,203,228 (63,058,230)	36,465,637 (28,144,998)	(2,272,362)	129,941,227 (91,203,228)	170,886,606 (126,762,925)	126,762,925 (120,943,902)
	TOTAL	5,916,037,998 (5,648,760,291)	503,381,903 (467,895,633)	67,833,174 (200,617,926)	6,351,586,727 (5,916,037,998)	2,643,377,872 (2,459,632,174)	433,089,758 (367,641,745)	(32,425,082) (183,896,047)	3,108,892,712 (2,643,377,872)	3,242,694,015 (3,272,660,126)	3,272,660,126 (3,189,128,117)

* Ref. Note No. 6 of Note No. 29 **Ref. Note No. 16 of Note No. 29, Ref. Note No. 7, 15, 17 to 19 of Note No. 29

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
12B	GOODWILL ON CONSOLIDATION		
	Balance at the beginning of the year	-	-
	Additions during the year	88,586,408	-
	Less : Amortization during the year	2,427,025	-
	Balance at the end of the year	86,159,383	-
	<i>Ref. Note No. 2 (D) of Note No. 29</i>		
	Total ...	86,159,383	-
13	NON-CURRENT INVESTMENTS		
	Long-Term and Non-Trade Investments		
	(a) Investments in Equity Instruments (unquoted) :		
	Investment in Subsidiaries :		
	10,000 (Previous Year : Nil) Equity shares of 10 each fully paid up in Sudarshan CSR Foundation	100,000	-
	<i>Ref. Note No. 2 (E) of Note No. 29</i>		
		100,000	-
	(b) Investments in Mutual Funds (quoted) :		
	Aggregate amount of quoted investments and market value thereof :		
	202,715.67 (Previous Year : 202,715.67) Units of Rs.10 each in UTI Gilt Advantage-LTP-Dividend Payout Fund.	2,864,697	2,864,697
	<i>[Market Value Rs. 3,814,075 (Previous Year : Rs. 3,148,255)]</i>		
		2,864,697	2,864,697
	Aggregate amount of quoted investments	2,864,697	2,864,697
	Aggregate amount of unquoted investments	100,000	-
	Total ...	2,964,697	2,864,697

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
14	LONG-TERM LOANS AND ADVANCES		
	Unsecured (Considered Good unless stated otherwise) :		
	(a) Capital Advances	34,236,691	46,188,159
	Considered doubtful	3,000,000	3,000,000
	Less : Provision for doubtful advances	3,000,000	3,000,000
		-	-
		34,236,691	46,188,159
	(b) Security Deposits :		
	Deposit with Government etc.	26,459,751	21,869,550
	Tender Deposit	1,147,430	919,800
	Deposit with Others	4,268,975	5,639,716
	(c) Other Loans and Advances :		
	Loans to Employees	16,000	320,600
	Stamp Duty refund recoverable	31,655,500	-
	(d) MAT Credit Entitlement	93,050,000	113,750,000
		190,834,347	188,687,825
	(e) Income Tax Paid	1,279,370,265	1,120,388,289
	Less : Provision	1,218,459,485	1,083,195,355
	Income Tax Paid (Net)	60,910,780	37,192,934
	Total ...	251,745,127	225,880,759
15	OTHER NON-CURRENT ASSETS		
	Margin Money with Banks with maturity of more than 12 months Ref. Note No. 18	-	2,500,000
	Total ...	-	2,500,000
	CURRENT ASSETS :		
16	INVENTORIES		
	(a) Raw Materials	422,153,083	389,550,498
	Goods in Transit	150,525,625	207,607,072
		572,678,708	597,157,570
	(b) Work-in-progress	551,279,292	226,732,195
	(c) Finished Goods	1,079,596,746	884,558,719
	Goods in Transit	160,959,542	239,110,821
		1,240,556,288	1,123,669,540
	(d) Stores and Spares	85,696,962	84,211,372
	(e) Goods for Trading / Resale	42,743,584	39,529,629
	(f) Packing Materials	8,712,474	13,361,006
	(g) Leasehold Rights	-	498,450,000
	For Leasehold Rights Ref. Note No. 6 of Note No. 29		
	Total ...	2,501,667,308	2,583,111,312

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
17	TRADE RECEIVABLES		
	Unsecured :		
	(a) Outstanding for a period exceeding six months from the due date (Considered good)	110,775,869	66,960,211
	Considered doubtful	14,210,699	4,030,663
	Less : Provision for doubtful debt	14,210,699	4,030,663
		-	-
	(b) Others (Considered good)	3,111,385,479	2,516,299,086
	Considered doubtful	-	91,383
	Less : Provision for doubtful debt	-	91,383
		-	-
	Total ...	3,222,161,348	2,583,259,297
18	CASH AND CASH EQUIVALENTS		
	(a) Cash and Cash Equivalents		
	i) Cash on hand	2,170,698	2,079,499
	ii) In Current Accounts	87,010,806	128,153,236
	iii) Remittance in Transit	24,000,000	-
	iv) Other Bank Balances	2,616,866	-
	- Lien Account	-	553
	- Deposit Accounts (Original maturity between 3 - 12 months)	88,316,736	224,000
	- Earmarked balances with Bank	-	-
	Unclaimed Dividend Accounts	3,496,928	3,005,129
		207,612,034	133,462,417
	(b) Other Bank Balances (Original maturity More than 3 months)		
	i) Lien Accounts (Against Bank Guarantees)	17,931,125	16,577,920
	ii) Balances with banks to the extent held as margin money		
	- With remaining maturity less than 12 months	-	3,000,000
	- With remaining maturity more than 12 months	-	2,500,000
	Less : Amount disclosed under non-current assets	-	2,500,000
	Ref. Note. No. 15		
	Total ...	225,543,159	153,040,337
19	SHORT-TERM LOANS AND ADVANCES		
	Unsecured and considered good :		
	Others:		
	Advances recoverable in cash or in kind or for value to be received	369,699,079	246,362,679
	Deposit with Excise, Customs etc.	49,856,313	56,053,215
	Total ...	419,555,392	302,415,894
20	OTHER CURRENT ASSETS		
	Export Incentives Receivable	9,167,960	28,253,037
	Service Tax Receivable (Set-off)	2,491,811	14,036,861
	Prepaid Expenses	24,813,352	20,197,711
	Advance to Gratuity Fund	-	16,905,643
	Ref. Note No. 8 (A) 1 (c) of Note No. 29		
	Others	41,749,046	13,543,472
	Ref. Note No. 21 of Note No. 29		
	Total ...	78,222,169	92,936,724

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	Particulars	Current Year Rs.	Previous Year Rs.
21	REVENUE FROM OPERATIONS		
	(a) Sale of products	13,070,550,863	11,986,137,410
	Less: Excise duty	<u>953,993,433</u>	<u>846,260,584</u>
		12,116,557,430	11,139,876,826
	(b) Services Rendered	923,304	5,308,305
	(c) Other operating revenues		
	Export Incentives	34,334,538	23,204,628
	Miscellaneous Operating Income (Net of Excise Duty)	<u>29,728,221</u>	<u>17,914,292</u>
		64,062,759	41,118,920
	Total ...	<u>12,181,543,493</u>	<u>11,186,304,051</u>
22	OTHER INCOME		
	(a) Interest Income		
	Interest earned on :		
	Bank Deposits	8,008,911	3,837,865
	Others	7,713,109	3,004,780
	(b) Other Non-Operating Income :		
	Miscellaneous Income	88,933,491	30,522,847
	Provision for doubtful debts written back	617,725	464,773
	Foreign Exchange Difference (Net)	<u>113,057,189</u>	<u>-</u>
	Total ...	<u>218,330,425</u>	<u>37,830,265</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	Particulars	Current Year Rs.	Previous Year Rs.
23	COST OF MATERIALS CONSUMED		
	Opening Stock	597,157,570	300,997,105
	Add : Purchases	5,307,933,357	6,418,398,825
		5,905,090,927	6,719,395,930
	Less : Closing Stock	572,678,708	597,157,570
	Total ...	5,332,412,219	6,122,238,360
24	COST OF GOODS TRADED		
	Opening Stock	39,529,629	22,407,933
	Add : Purchases	2,088,839,455	441,441,074
		2,128,369,084	463,849,007
	Less : Closing Stock	42,743,584	39,529,629
	Total ...	2,085,625,500	424,319,378
25	CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
	Stocks at Commencement :		
	Finished Products	1,123,669,540	999,678,799
	Work-in-progress (Semi-finished Products)	226,732,195	340,919,441
		1,350,401,735	1,340,598,240
	On Acquisition of business (Ref. Note No. 7 & 18 of Note No. 29)	329,749,312	-
		1,680,151,047	1,340,598,240
	Less:		
	Stocks at Close :		
	Finished Products	1,240,556,288	1,123,669,540
	Work-in-progress (Semi-finished Products)	551,279,292	226,732,195
		1,791,835,580	1,350,401,735
	Total ...	(111,684,533)	(9,803,495)
26	EMPLOYEE BENEFIT EXPENSE		
	Salaries and Wages :		
	Other Than Research and Development	736,920,368	662,996,282
	For Research and Development	56,053,492	51,011,702
	Contribution to Provident and Other Funds	56,172,147	51,257,564
	Staff Welfare Expenses	30,040,300	23,238,163
	Gratuity (Ref. Note No. 8 (A) 1 (d) of Note No. 29)	46,340,425	1,198,045
	Pension (Ref. Note No. 8 (A) 2 (b) of Note No. 29)	14,560,070	6,764,518
	Total ...	940,086,802	796,466,274

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	Particulars	Current Year Rs.	Previous Year Rs.
27	FINANCE COSTS		
	(a) Interest expenses	356,396,181	380,172,373
	(b) Other borrowing costs (Includes Bank charges for Bank Guarantee, Loan Processing etc.)	4,728,763	3,528,468
	(c) Foreign Exchange difference to the extent considered as borrowing cost	8,579,528	22,844,979
	Total ...	<u>369,704,472</u>	<u>406,545,820</u>
28	OTHER EXPENSES		
	Consumption of Stores and Spare parts	173,305,983	186,332,135
	Consumption of Packing Material	141,280,339	125,708,732
	Power and Fuel	619,277,469	604,994,018
	Water Charges	97,860,552	91,337,017
	Labour Charges	232,056,644	220,940,645
	Rent (Ref. Note No. 22 of Note No. 29)	41,432,579	15,620,556
	Repairs to Buildings	47,632,053	52,059,699
	Repairs to Plant and Machinery	111,640,994	108,036,993
	Repairs to Others	7,827,739	6,720,733
	Insurance	15,319,139	17,102,813
	Rates and Taxes	8,977,969	10,622,519
	Advertisement	20,081,133	9,300,909
	Auditors' Remuneration (Ref. Note No. 9 of Note No. 29)	3,344,083	2,291,801
	Bad Debts Written Off	10,828,958	2,767,885
	Provision for Doubtful Debts	1,477,826	997,163
	Provision for Doubtful Advances	-	3,000,000
	Bank Charges	17,690,811	22,148,544
	Export Market Development Expenses :		
	Commission on Exports	37,839,308	26,327,637
	Travelling, Postage, Forwarding, etc.	93,041,592	93,011,291
	Commission to Selling Agents	219,453,348	206,684,881
	Directors' Sitting Fees	1,539,050	1,274,220
	Discounts (Other Than Trade Discounts)	121,924,861	114,496,408
	Foreign Exchange Difference (Net)	-	28,408,437
	ERP / Computer related expenses	23,839,333	12,614,180
	Freight and Octroi	43,342,039	30,910,130
	General Expenses (Ref. Note No. 23 & 24 of Note No. 29)	71,847,873	59,361,109
	Legal, Professional and Consultancy Charges	146,235,968	140,557,837
	Licence Fees	3,381,482	2,607,816
	Loss on Sale / Disposal of Fixed Assets (Net)	2,661,752	13,233,742
	Printing, Stationery and Communication Expenses	27,601,121	24,191,069
	Sales Tax Surcharge / Turnover Tax	7,223,923	8,839,782
	Selling and Distribution Expenses	91,335,964	103,114,993
	Research and Development Expenses :		
	Stores, Spares and Consumables etc.	16,894,672	18,554,920
	Other Expenses	49,327,535	50,635,665
	Travelling and Conveyance	73,149,351	59,808,098
	Royalty	13,474,158	25,230,500
	Other Expenses	54,554,712	62,308,781
	Total ...	<u>2,648,702,313</u>	<u>2,562,153,658</u>

NOTE NO. 29 : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies :

(i) Basis of Preparation :

The Consolidated Financial Statements are prepared in accordance with the Generally Accepted Accounting Principles ("GAAP") in India under the historical cost convention on an accrual basis, and are in conformity with mandatory accounting standards, as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or where a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Use of Estimates :

The preparation of the Consolidated Financial Statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(iii) Fixed Assets :

(a) Tangible Assets :

Fixed Assets are stated at cost of acquisition along with attributable costs, including related borrowing costs, for bringing the assets to its working condition for its intended use, less accumulated depreciation.

(b) Intangible Assets :

Costs incurred on acquisition, development or enhancement of intangible resources are recognized as intangible assets if these are identifiable, controlled by the Company and it is probable that future economic benefit attributable to the assets would flow to the Company. Intangible assets are stated at cost less accumulated amortization and impairments, if any. Cost includes taxes, duties and other incidental expenses related to acquisition, development and enhancement.

(c) Borrowing costs that are directly attributable to the acquisition or production of a qualifying assets are capitalized as a part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(d) The cost also comprises of exchange differences arising on translation / settlement of long-term foreign currency borrowings pertaining to the acquisition of fixed assets.

(iv) Depreciation :

Depreciation on tangible assets is provided on the straight-line method on pro-rata basis, over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013, or as assessed by the Management based on the technical evaluation by an approved valuer.

Assets whose acquisition value is less than Rs. 5,000 are depreciated 100% during the year of acquisition.

Leasehold land is amortised over the lease period.

Goodwill is amortised over a period of 5 years.

Useful life of the following asset classes differs from that prescribed by Schedule II :

Asset Class	Useful Life Adopted	Useful Life as per Schedule - II
Plant and Machinery	9.2	7.5
Vehicles	6	8

(v) Impairment of Assets :

The carrying amounts of Cash Generating Units / Assets are reviewed at the Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated as the higher of net selling price and value in use. Impairment loss is recognized wherever carrying amount exceeds recoverable amount.

(vi) Investments :

Long-term Investments are carried at cost including related expenses, provision for diminution being made, if necessary, to recognize a decline, other than temporary, in the value thereof.

Current investments are valued at lower of cost and fair value.

(vii) Inventories :

Inventories are valued at lower of Cost and Net Realisable Value.

- (a) Raw Materials, Packing Materials, Stores and Consumables are valued at Weighted Average Cost.
- (b) The cost of Finished Goods and Work-in-progress (Semi-finished Goods) is ascertained by Weighted Average of Cost of Raw Material and standard rate of conversion and other related costs for bringing the inventory to the present location and condition.
- (c) Provision is made for obsolete and non-moving items.
- (d) Leasehold Rights are valued at conversion value.

(viii) Research and Development :

Research and Development expenditure of a capital nature is added to Fixed Assets and depreciation is provided thereon. All other expenditure on Research and Development is charged to the Statement of Profit and Loss in the year of incurrence.

(ix) Foreign Currency Transactions :

- (a) Transactions in foreign currencies are recorded at the exchange rates prevailing as on the date of the transaction. Monetary items are translated at the year-end rate. The difference between the rate prevailing as on the date of the transaction and as on the date of settlement and also on translation of monetary items, at the end of the year, is recognised as income or expense, as the case may be.
- (b) In respect of forward exchange contracts, the difference between the forward rate and the exchange rate at the inception of the contract is recognised as income or expense over the period of the contract. Losses on cancellation of forward exchange contracts are recognised as expense.
- (c) The Company has accounted for exchange differences arising on reporting of long-term foreign currency monetary items in accordance with Companies (Accounting Standards) Amendment Rules, 2009 pertaining to Accounting Standard – 11 (AS – 11) notified by Government of India on 31st March, 2009 (as amended on 29th December 2011).

Accordingly, the effect of exchange differences on foreign currency loans of the Company taken to acquire fixed assets is added to / deducted from the cost of the respective assets.

(x) Derivative Financial Instruments :

The Company uses derivative financial instruments such as Forwards, Swaps and Plain Vanilla Options to hedge its risks associated with foreign exchange fluctuations. Such derivative financial instruments are used as risk management tools and not for speculative purposes, in terms of the Policy duly adopted by the Board.

Derivative financial instruments entered into for hedging foreign exchange risks of recognized foreign currency monetary items are accounted for as per the principles laid down in Accounting Standard – 11 “The effects of changes in Foreign Exchange Rates”.

Interest rate swaps entered into by the Company for hedging are mark to market at the reporting date. Losses (Net), if any, are charged to the statement of Profit and Loss and gains (Net) are not recognised.

(xi) Revenue Recognition :

Sale of goods is recognised on dispatches to customers, which coincides with the transfer of significant risks and rewards associated with ownership, inclusive of excise duty and net of trade discount.

Dividend income is accounted for when the right to receive is established.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(xii) Employee Benefits :

(a) Contribution to provident fund -

Company's contribution paid / payable during the year to provident fund and labour welfare fund are recognised in the Statement of Profit and Loss.

(b) Gratuity -

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated period mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date.

Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

(c) Superannuation -

The Company makes contribution to the Superannuation scheme, a defined contribution scheme, administered by Life Insurance Corporation of India, which are charged to the Statement of Profit and Loss. The Company has no obligation to the scheme beyond its annual contributions.

(d) Leave encashment / compensated absences / sick leave -

The Company provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on actual basis.

(xiii) Taxation :

- (a) Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income Tax Act, 1961) over normal income-tax, is recognised as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of ten succeeding assessment years.
- (b) Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets on unabsorbed tax losses and unabsorbed tax depreciation are recognised only when there is a virtual certainty of their realisation.

Other deferred tax assets are recognised only when there is a reasonable certainty of their realisation.

(xiv) Provisions and Contingent Liabilities :

- (a) A provision is recognized when the Company has a present obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.
- (b) A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

(xv) Earnings Per Share :

Basic earning per share is calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit / (loss) for the period after deducting preference dividends and any attributable tax thereto for the period.

The weighted average number of equity shares outstanding during the period and for all periods processed is adjusted for events, such as bonus and shares sub-division, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(xvi) Cash and Cash Equivalents :

Cash and cash equivalents for the purposes of the Cash Flow Statement comprise of cash at bank, cash in hand and current investments with an original maturity of three months or less.

(xvii) Segment Reporting :

The business segment has been considered as the primary segment for disclosure. The categories included in each of the reported business segments are as follows :

- (i) Pigments
- (ii) Agro Chemicals
- (iii) Other Operations

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

- 1 Allocation of common costs –
Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.
- 2 Unallocated items –
Unallocated items include general corporate income and expense items which are not allocated to any business segment. Assets and liabilities which relate to the Company as a whole but are not allocable to segments on a reasonable basis, have been included under "Unallocable Assets / Liabilities".
- 3 Segment accounting policies –
The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Consolidated Financial Statements of the Company as a whole.

2. Principles of Consolidation :

- (A) The Consolidated Financial Statements are based on the audited Financial Statements of the Subsidiaries.
- (B) The Financial Statements of the Holding Company and Subsidiaries have been combined to the extent possible on a line by line basis by adding together like items of assets, liabilities, income and expenses. All significant intra-group balances and transactions have been eliminated on consolidation.
- (C) The Consolidated Financial Statements have been prepared using uniform accounting policies for the transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Parent Company's Financial Statements.
- (D) Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the value of the assets and liabilities of a subsidiary or associate at the date of acquisition. Goodwill is amortized proportionately over a period of 5 years.

(E) Name of the subsidiaries	Ownership in % either directly or through subsidiaries		Country of Incorporation
	2014 - 15	2013 - 14	
Prescient Color Limited	100 %	100 %	India
Sudarshan Europe B.V.	100 %	100 %	The Netherlands
Sudarshan North America, Inc. (Subsidiary of Sudarshan Europe B.V.)	100 %	100 %	The United States of America
RIECO Industries Limited	100%	Nil	India
Sudarshan CSR Foundation*	100%	Nil	India

* Sudarshan CSR Foundation, is a company registered on 3rd March, 2015, under Section 8 of the Companies Act 2013. Pursuant to section 2 (41) of the Companies Act, 2013, the first Financial Year of the company will end on 31st March, 2016. Hence the Consolidated Financial Statements of the Company for the year ended 31st March 2015 do not include the financial results of Sudarshan CSR Foundation.

(F) Name of the Entity	Net Assets (Total Assets – Total Liabilities) 2014-15		Share in Profit or Loss 2014-15	
	As a % of consolidated net assets	Amount (Rs. in Lacs)	As a % of consolidated profit or loss	Amount (Rs. in Lacs)
Parent Company				
Sudarshan Chemical Industries Limited	106.72%	28,026	77.98%	4,241
Subsidiaries				
Prescient Color Limited	2.10%	553	6.99%	380
Sudarshan Europe B.V.	(4.40)%	(1,154)	6.34%	345
Sudarshan North America, Inc. (Subsidiary of Sudarshan Europe B.V.)	(3.66)%	(961)	(4.94)%	(269)
RIECO Industries Limited	5.02%	1,319	12.05%	655
Sudarshan CSR Foundation	Nil	Nil	Nil	Nil
Total Eliminations	(5.78)%	(1,521)	1.58%	86
Total	100.00%	26,260	100.00%	5,438

3. Estimated amount of contracts remaining to be executed on capital account – **Rs. 55,244,274**
(Previous Year : Rs. 17,587,188).
4. The Foreign Subsidiary Company accounts have been prepared in conformity with the Companies Act, 2013 and Generally Accepted Accounting Principles in India, as applicable, and considered accordingly for the purpose of consolidation of accounts.
5. **Contingent liabilities not provided for :**
 - (i) **Pending Litigations -**
 - (a) Excise Duty – **Rs. 20,019,895** (Previous Year : Rs. 7,183,604).
 - (b) Income Tax – **Rs. 31,667,195** (Previous Year : Rs. 30,388,050).
 - (c) VAT / CST – **Rs. 29,321,463** (Previous Year : Rs. 11,861,000).
 - (ii) **Guarantees -**
 - **Bank Guarantee**
 - (a) Bank Guarantees – **Rs. 471,597,357** (Previous Year : Rs. 65,402,514)

6. The Company had converted Leasehold Rights of Rs. 498,450,000 into Stock-in-trade in FY 2010-11 with the intention of commercially developing the underlying Leasehold Land situated at 162 Wellesley Road, Pune 411 001. However, due to several factors, some beyond the control of the Company, this intention could not fructify.

In the mean time the Company also acquired Reversionary Rights in the said land, resulting in full ownership. Presently, the validity of acquisition of Revisionary Rights is sub-judice.

In view of the above, the Stock-in-trade of Rs. 498,450,000 as already recognized by creating the corresponding Revaluation Reserve of an identical amount, is reversed.

Under the circumstances, the Board has decided to reconvert the said land into and to be held as, capital asset at cost Rs. 71,550,000.

The above has no impact, on the Financial Results of the Company.

7. Acquisition of business undertaking of “Rathi Vessels and Systems Private Limited” on slump sale basis:

During the year the Company has acquired the going concern business of Rathi Vessels and Systems Private Limited on slump sale basis for Rs. 25,000,000 with the effective date of 1st October, 2014. Correspondingly, all assets and liabilities of this business as on the said effective date stand transferred to the Company and are included in the Financial Statements under the respective head of accounts. The excess of consideration paid over the book value of assets and liabilities of Rs. 41,101,746 is recognised as Goodwill.

8. The following disclosures are made in accordance with Accounting Standard – 15 (Revised) :

(A) Pertaining to Defined Benefit Plans :

1 Gratuity

Particulars	As at 31 st March, 2015 Rs.	As at 31 st March, 2014 Rs.
(a) Present value of the defined benefit obligation :		
Obligations at period beginning	129,139,006	144,498,452
Service cost	10,696,882	7,716,057
Acquisition adjustment	–	–
Interest cost	11,970,553	10,661,992
Past service cost	–	–
Curtailment cost / (credit)	–	–
Settlement cost / (credit)	–	–
Actuarial (gain) / loss	37,379,135	(4,731,604)
Benefits paid	(27,179,349)	(29,005,891)
Obligations at period end	162,006,227	129,139,006
(b) Fair value of plan assets :		
Plan assets at period beginning, at fair value	146,044,649	151,200,197
Expected return on plan assets	13,168,343	12,815,840
Acquisition adjustment	–	–
Actuarial gain / (loss)	537,802	(367,440)
Contributions	7,500,000	11,000,000
Benefits paid	(26,162,187)	(28,603,948)
Plan assets at period end, at fair value	141,088,607	146,044,649
Actual returns on plan assets	13,706,145	12,448,400
(c) Assets and liabilities recognized in the Balance Sheet :		
Fair value of the plan assets at the end of the year	141,088,607	146,044,649
Present value of the defined benefit obligations at the end of the period	162,006,227	129,139,006
Asset / (liability) recognized in the Balance Sheet	(20,917,620)	16,905,643
(d) Expense recognized in the Statement of Profit and Loss :		
Current service cost	10,696,882	7,716,057
Past service cost	–	–
Interest cost	11,970,553	10,661,992
Expected return on plan assets	(13,168,343)	(12,815,840)
Curtailment cost / (credit)	–	–
Settlement cost / (credit)	–	–
Actuarial (gain) / loss	36,841,333	(4,364,164)
Net gratuity cost	46,340,425	1,198,045
(e) Investment details of the plan assets* :		
Government of India Securities	0.00%	0.00%
High quality Corporate Bonds	0.00%	0.00%
Equity shares of listed companies	0.00%	0.00%
Property	0.00%	0.00%
Special deposit scheme	0.00%	0.00%
Funds managed by Insurer	100.00%	100.00%
Others	0.00%	0.00%
* Plan assets are invested in the debt instruments prescribed by IRDA.		
(f) Summary of Actuarial Assumptions :		
Discount Rate	7.80%	9.20%
Rate of return on plan assets	9.00%	9.00%
Rate of increase in Compensation levels	7.00%	7.00%
Expected Average remaining working lives of employees (Years)	13.47	14.35
The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.		

(g) Experience adjustment * :	As at 31 st March, 2015 Rs.	As at 31 st March, 2014 Rs.	As at 31 st March, 2013 Rs.	As at 31 st March, 2012 Rs.	As at 31 st March, 2011 Rs.
On plan liability (loss) / gain	(21,363,856)	(6,481,377)	(11,980,388)	(4,478,379)	-
On plan asset (loss) / gain	537,802	(367,440)	(730,355)	(24,680)	-
Present value of benefit obligation	162,006,227	129,139,006	144,498,452	130,617,863	126,180,498
Fair value of plan assets	141,088,607	146,044,649	151,200,197	137,258,408	127,316,156
Surplus / (deficit)	(20,917,620)	16,905,643	6,701,745	6,640,545	1,135,658

* Data as per actuary is available only for current year and previous three years.

2 Pension

Particulars	Current Year Rs.	Previous Year Rs.
(a) Reconciliation of PBO :		
Projected Benefit Obligation at beginning of the year	59,635,600	56,453,316
Current service cost	331,358	233,777
Interest cost	4,484,277	4,391,679
Contributions by plan participation	-	-
Actuarial (gain) / loss due to change in assumptions	9,744,435	2,139,062
Benefits paid	(4,952,449)	(3,582,234)
Past service cost	-	-
Amalgamations	-	-
Curtailments	-	-
Settlements	-	-
Projected Benefit Obligation at end of the year	69,243,221	59,635,600
Includes Current maturity Rs. 5,447,702 (Previous Year : Rs. 4,927,576)		
(b) Statement of Profit and Loss :		
Current service cost	331,358	233,777
Interest cost	4,484,277	4,391,679
Expected return on plan asset	-	-
Net actuarial (gain) / loss to be recognised in the year	9,744,435	2,139,062
Past service cost	-	-
Effect of Curtailments	-	-
(Income) / Expense recognised in the Statement of Profit and Loss	14,560,070	6,764,518

(B) Pertaining to Defined Contribution Plans :

Particulars	As at 31 st March, 2015 Rs.	As at 31 st March, 2014 Rs.
(a) Expected contribution to the fund in the next year :		
Gratuity	27,768,160	25,232,234
(b) Defined contribution plans :		
Provident fund paid to the authorities	33,486,328	30,945,781

9. Auditors' Remuneration :

	Current Year Rs.	Previous Year Rs.
(a) Audit Fees	1,662,362	1,358,581
(b) Tax Audit Fees	300,000	255,000
(c) Other Services –		
Certification and Limited Review	1,165,000	535,000
Stock Verification	200,000	120,000
(d) Reimbursement of Expenses	16,721	23,220
Total ...	3,344,083	2,291,801

**10. Fixed Deposits :
(Accepted under Section 76 (1) of the Companies Act, 2013)**

	31-03-2015 Rs.	31-03-2014 Rs.
(a) Fixed Deposits with Maturity less than 12 months	–	50,115,000
(b) Fixed Deposits with Maturity more than 12 months	405,500,000	503,990,000
(c) Unclaimed Matured Fixed Deposits	–	1,015,000
Total ...	405,500,000	555,120,000

11. Segment Reporting :

Particulars	Year Ended 31-03-2015 Rs.	Year Ended 31-03-2014 Rs.
(A) Primary Segment Information :		
1 Segment Revenue		
(a) Pigments	10,640,911,151	10,086,630,278
(b) Agro Chemicals	1,155,018,485	1,099,673,773
(c) Other Operations	385,613,857	–
Total ...	12,181,543,493	11,186,304,051
Less : Inter-segment revenue	–	–
Net Sales / Income from Operations	12,181,543,493	11,186,304,051
2 Segment Results		
Profit / (Loss) before tax		
(a) Pigments	1,255,559,495	1,094,599,149
(b) Agro Chemicals	77,367,458	77,334,224
(c) Other Operations	33,297,244	–
Total ...	1,366,224,197	1,171,933,373
Less : i. Finance Cost	369,704,472	406,545,820
ii. Other Unallocable Expenditure (Net of Unallocable Income)	280,590,856	210,814,977
Profit Before Tax	715,928,869	554,572,576
Less : Tax Expense	172,137,658	204,096,932
Profit After Tax	543,791,211	350,475,644

Particulars	Year Ended 31-03-2015 Rs.	Year Ended 31-03-2014 Rs.
3 Other Information		
Segment assets		
(a) Pigments	6,950,708,479	7,236,037,590
(b) Agro Chemicals	370,484,791	311,944,305
(c) Other Operations	1,407,188,798	—
(d) Unallocated	1,382,011,393	1,239,384,373
Total ...	10,110,393,461	* 8,787,366,268
Segment liabilities		
(a) Pigments	1,473,646,964	1,255,553,857
(b) Agro Chemicals	114,478,665	193,316,274
(c) Other Operations	1,037,579,346	—
(d) Unallocated	275,592,939	354,880,048
Total ...	2,901,297,914	1,803,750,179
(*) Does not include leasehold rights at Pune, treated as stock-in-trade.		
4 Capital Expenditure		
(a) Pigments	309,772,107	89,681,020
(b) Agro Chemicals	10,039,509	4,785,124
(c) Other Operations	46,203,352	—
(d) Unallocated	149,900,676	213,831,280
Total ...	515,915,644	308,297,424
5 Depreciation		
(a) Pigments	323,769,772	297,462,006
(b) Agro Chemicals	5,330,913	5,276,178
(c) Other Operations	8,181,479	—
(d) Unallocated	98,234,619	64,903,561
Ref. Note No. 17 of Note No. 29		
Total ...	435,516,783	367,641,745
(B) Secondary Segment Disclosures :		
1 Revenue from External Customers		
(a) Indigenous	9,113,493,018	8,302,933,559
(b) Exports (including export incentives)	3,068,050,475	2,883,370,492
Total...	12,181,543,493	11,186,304,051
2 Carrying amount of Assets		
(a) In India	8,887,570,004	8,022,529,828
(b) Outside India	1,222,823,457	1,263,286,440
Total...	10,110,393,461	9,285,816,268

12. Related Party Transaction (As per AS-18 on Related Party Disclosures Specified under Section 133 of the Companies Act, 2013) :

List of Related Parties and description of relationship :

- (a) Key Management Personnel : Mr. P.R.Rathi
Mr. R.B.Rathi
Mr. A.V.Vij
- (b) Relatives of Key Management Personnel : Mrs. R.R.Rathi – Wife of Mr. R.B.Rathi
Mr. R.P.Rathi – Son of Mr. P.R.Rathi
Mrs. K.B.Rathi – Mother of Mr. R.B.Rathi
Mrs. K.R.Rathi – Mother of Mr. P.R.Rathi
Mr. A.B.Rathi – Brother of Mr. R.B.Rathi
Mrs. S.P.Rathi – Wife of Mr. P.R.Rathi
Mrs. R.R.Agarwal – Daughter of Mr. P.R.Rathi
- (c) Entities in which Key Management Personnel and / or their relatives exercise significant influence (SIKMP) :
Rathi Brothers Poona Limited
Rathi Brothers Madras Limited
Rathi Brothers Calcutta Limited
Rathi Brothers Delhi Limited
Manan Rathi Trust
Balkrishna Rathi Finance Private Limited
PRR Finance Private Limited
Marathwada Chemical Industries Private Limited
Rathi Vessels & Systems Private Limited (upto 30th September, 2014)
RIECO Industries Limited (upto 9th February, 2015)
Sudarshan CSR Foundation (Ref. Note No. 2 (E) of Note No. 29)

Transactions with Related Parties :

Nature of Transactions	2014 - 15			2013 - 14		
	Key Management Personnel	Relatives of Key Management Personnel	SIKMP*	Key Management Personnel	Relatives of Key Management Personnel	SIKMP*
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
● Salary, Pension, Reimbursement of expenses etc. :						
Mr. P.R.Rathi	24,454,057	–	–	22,406,764	–	–
Mr. R.B.Rathi	24,442,836	–	–	20,027,198	–	–
Mr. A.V.Vij	8,720,452	–	–	6,409,363	–	–
Mr. R.P.Rathi	–	2,669,872	–	–	2,483,158	–
Mrs. K.B.Rathi	–	1,240,093	–	–	1,127,357	–
● Interest paid / payable :						
Mr. P.R.Rathi	109,511	–	–	55,082	–	–
Mr. R.B.Rathi	121,483	–	–	–	–	–
Mrs. K.R.Rathi	–	227,330	–	–	160,000	–
Mr. R.P.Rathi	–	427,059	–	–	311,855	–
Mr. A.B.Rathi	–	53,960	–	–	–	–
Mrs. S.P.Rathi	–	141,847	–	–	241,148	–
Mrs. R.R.Agarwal	–	138,738	–	–	350,000	–
Manan Rathi Trust	–	–	191,343	–	–	345,000
Rathi Brothers Poona Ltd.	–	–	896,517	–	–	878,251
Rathi Brothers Madras Ltd.	–	–	422,157	–	–	439,089
Rathi Brothers Calcutta Ltd.	–	–	121,933	–	–	55,999
Rathi Brothers Delhi Ltd.	–	–	1,468,272	–	–	1,309,726
Balkrishna Rathi Finance Pvt. Ltd.	–	–	5,382,156	–	–	5,175,097
PRR Finance Pvt. Ltd.	–	–	4,162,491	–	–	5,579,204
Others	–	2,713	497,026	–	–	532,058

Nature of Transactions	2014 - 15			2013 - 14		
	Key Management Personnel	Relatives of Key Management Personnel	SIKMP*	Key Management Personnel	Relatives of Key Management Personnel	SIKMP*
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
● Acceptance of Deposits :						
Mr. P.R.Rathi	9,285,000	—	—	—	—	—
Mr. R.B.Rathi	10,300,000	—	—	—	—	—
Mr. R.P.Rathi	—	10,740,000	—	—	2,400,000	—
Mrs. K.R.Rathi	—	16,685,000	—	—	—	—
Manan Rathi Trust	—	—	9,555,000	—	—	—
Rathi Brothers Poona Ltd.	—	—	17,250,000	—	—	15,550,000
Rathi Brothers Madras Ltd.	—	—	3,625,000	—	—	2,950,000
Rathi Brothers Delhi Ltd.	—	—	11,625,000	—	—	10,750,000
Balkrishna Rathi Finance Pvt. Ltd.	—	—	5,165,000	—	—	8,000,000
Others	—	11,525,000	11,885,000	—	—	4,840,000
● Repayments of Deposits :						
Mrs. R.R.Agarwal	—	3,500,000	—	—	—	—
Mrs. S.P.Rathi	—	1,900,000	—	—	1,300,000	—
Mr. R.P.Rathi	—	2,900,000	—	—	2,400,000	—
Manan Rathi Trust	—	—	3,480,000	—	—	—
Rathi Brothers Poona Ltd.	—	—	17,650,000	—	—	23,550,000
Rathi Brothers Delhi Ltd.	—	—	10,200,000	—	—	15,350,000
Rathi Brothers Madras Ltd.	—	—	3,750,000	—	—	4,750,000
PRR Finance Pvt. Ltd.	—	—	11,500,000	—	—	34,400,000
Others	—	1,600,000	5,905,000	1,400,000	—	14,950,000
● Sale of Fixed Asset:						
Mr. P.R.Rathi	—	—	—	17,850	—	—
● Sale of Chemicals :						
Marathwada Chemical Inds. Pvt. Ltd.	—	—	1,373,104	—	—	1,402,625
● Purchase of Goods / Services :						
REICO Industries Ltd.	—	—	6,623,922	—	—	—
Marathwada Chemical Inds. Pvt. Ltd.	—	—	10,874,694	—	—	10,349,437
Rathi Vessels & Systems Pvt. Ltd.	—	—	30,676,786	—	—	—
● Subscription to Share Capital :						
Sudarshan CSR Foundation	—	—	100,000	—	—	—
● Commission on Sales (Incl. Taxes) :						
Rathi Brothers Calcutta Ltd.	—	—	6,988,101	—	—	4,885,988
Rathi Brothers Delhi Ltd.	—	—	22,322,937	—	—	20,786,402
Rathi Brothers Madras Ltd.	—	—	4,971,441	—	—	6,051,117
Rathi Brothers Poona Ltd.	—	—	43,414,782	—	—	34,892,464
● Rent received (Incl. Taxes) :						
Rathi Vessels & Systems Private Ltd.	—	—	—	—	—	816,043
Rathi Brothers Poona Ltd.	—	—	359,125	—	—	359,125
● Rent Paid :						
Rathi Brothers Calcutta Ltd.	—	—	162,584	—	—	162,585
Rathi Brothers Madras Ltd.	—	—	214,189	—	—	236,275
Rathi Brothers Delhi Ltd.	—	—	173,125	—	—	—
● Donation Paid :						
Sudarshan CSR Foundation	—	—	1,040,500	—	—	—
Shri Jagannath Rathi Charity Trust	—	—	3,957,000	—	—	—
● Advance given :						
Sudarshan CSR Foundation	—	—	5,000	—	—	—
● Reimbursement of Expenses :						
REICO Industries Ltd.	—	—	611,153	—	—	—
Marathwada Chemical Inds. Pvt. Ltd.	—	—	1,810,578	—	—	1,263,001
● Balance outstanding at year end :						
— Customer / (Vendor) Account						
Marathwada Chemical Inds. Pvt. Ltd.	—	—	(2,786,216)	—	—	(1,433,107)
— Deposits						
Mr. P.R.Rathi	9,285,000	—	—	—	—	—
Mr. R.B.Rathi	10,300,000	—	—	—	—	—
Mr. R.P.Rathi	—	10,740,000	—	—	2,900,000	—
Mrs. K.R.Rathi	—	16,685,000	—	—	1,600,000	—
PRR Finance Pvt. Ltd.	—	—	39,330,000	—	—	40,000,000
Balkrishna Rathi Finance Pvt. Ltd.	—	—	66,965,000	—	—	48,000,000
Others	—	11,525,000	34,345,000	—	5,400,000	24,520,000
— Salary and Commission						
Mr. P.R.Rathi	7,392,000	—	—	9,947,445	—	—
Mr. R.B.Rathi	6,948,720	—	—	8,537,674	—	—

* Entities in which Key Management Personnel and / or their relatives exercise significant influence

13. Earnings per Share (EPS) :

Particulars	31-03-2015	31-03-2014
Net Profit After Tax available for Equity Shareholders	543,791,211	350,475,644
Equity Shares outstanding at year end	69,227,250	6,922,725
Add : Equity Shares of Rs.10 each are sub-divided to 5 shares of Rs. 2 each	-	27,690,900
Add : Bonus shares allotted on 4th October, 2014 in the ratio 1 : 1 by capitalisation of General Reserve	-	34,613,625
Weighted Average number of equity shares used to compute basic earnings per share	69,227,250	69,227,250
Earnings per share basic and diluted (Rs.)	7.86	5.06

Note : Earnings per share of previous periods have been re-stated to make them comparable due to sub-division of shares and issue of bonus shares.

14. Managerial Remuneration :

	Mr. P.R. Rathi Vice Chairman and Managing Director	(Amount in Rs.) Mr. R.B.Rathi Deputy Managing Director
Salary and Other Allowances	16,507,057 (14,595,564)	17,094,264 (12,946,800)
Contribution to Provident Fund and Other Funds	1,879,200 (1,879,200)	1,280,772 (1,280,772)
Other Perquisites	67,800 (432,600)	67,800 (299,626)
Commission	6,000,000 (5,500,000)	6,000,000 (5,500,000)
Total ...	24,454,057 (22,406,764)	24,442,836 (20,027,198)

15. Expenses Capitalized during the year are as below :

	Current Year Rs.	Previous Year Rs.
(A) Employee Cost	3,497,952	2,003,270
(B) Borrowing Cost	-	4,789,150
Total...	3,497,952	6,792,420

16. Foreign Exchange Difference Capitalised during the year :

The Company has taken an ECB loan amounting to Euro 13 million during the FY 2014-15 from State Bank of India, Dubai, for a term of 5.5 years on a secured basis and was drawn in FY 14-15 for the purpose of repayment of Rupee-term loans taken in earlier years for the purpose of procurement of fixed assets. The foreign exchange difference arising out of re-alignment of the value of the foreign currency loan has been adjusted in the carrying cost of the respective fixed assets and has been depreciated over their remaining depreciable life as follows:

	Current Year Gain / (Loss) Rs.	Previous Year Gain / (Loss) Rs.
(i) Plant and Machinery	129,089,260	-
(ii) Buildings	24,291,964	-
(iii) R&D Plant and Machinery	3,081,353	-
(iv) R&D Buildings	1,487,423	-
Total...	157,950,000	-

17. Revision in Depreciation Rates as per Schedule II of Companies Act, 2013 :

The Company has revised depreciation rates on fixed assets according to the useful life as specified in the Schedule II to the Companies Act, 2013 or on the basis of its assessment made by the Company as permitted by the said Schedule. Had there not been change in depreciation rates, the depreciation for the year ended 31st March, 2015, would have been lower by Rs. 12,791,681.

The depreciation on the basis of Revised Schedule II on assets whose useful life is already exhausted before 1st April, 2014, of Rs. 10,837,856 (net of deferred tax impact thereon of Rs. 5,580,651) has been adjusted to General Reserve and included in total depreciation of Rs. 435,516,783 in depreciation and amortisation of fixed assets disclosed in Note 11 and 12.

18. Acquisition of RIECO Industries Limited :

During the year Company acquired the entire paid up share capital of RIECO Industries Limited . The transaction was closed on 10th February, 2015 effectively making RIECO Industries Limited a Wholly Owned Subsidiary of the Company

19. Intangibles – disclosure as per AS - 26 :

Asset	Remaining amortization	Carrying amount Rs.
Goodwill	4 years and 6 months	36,991,571
	(-)	(-)
Computer Software	6 years	42,236,288
	(7 years)	(33,410,938)
Technical Know-how	2 years	52,701,104
	(3 years)	(62,919,614)
Registrations	7 years	38,957,643
	(8 years)	(30,432,373)
Goodwill on Consolidation	4 years and 10 months	86,159,383
	(-)	(-)
Total...		257,045,989
		(126,762,925)

20. Details of Other Current Liabilities :

	As at 31 st March 2015 Rs.	As at 31 st March 2014 Rs.
Outstanding Expenses	257,652,091	171,486,839
Debtor's Credit Balances / Debtor's Advances	119,254,875	58,137,125
Export Commission Payable	50,690,617	38,984,649
Director Commission Payable	14,500,000	25,651,750
Salaries	13,801,547	24,856,172
Deposit from Employees	9,260,068	7,641,921
Others	19,232,412	17,115,488
Total...	484,391,610	343,873,944

21. Details of Other Current Assets :

	As at 31 st March 2015 Rs.	As at 31 st March 2014 Rs.
Accrued Income	21,967,137	2,650,281
Mediclaime, Excise Duty Recoverable	18,041,183	8,551,192
Gratuity Receivable	1,740,726	2,341,999
Total...	41,749,046	13,543,472

22. Lease Rent :

The Company has taken residential accommodation, office premises and warehouses on lease / rental basis. Lease period varies from one month to twelve months. These lease are cancellable in nature. Lease / rentals recognised in the Statement of Profit and Loss is Rs. 41,432,579 (Previous Year : Rs. 15,620,556).

23. Amount spent towards Corporate Social Responsibility :

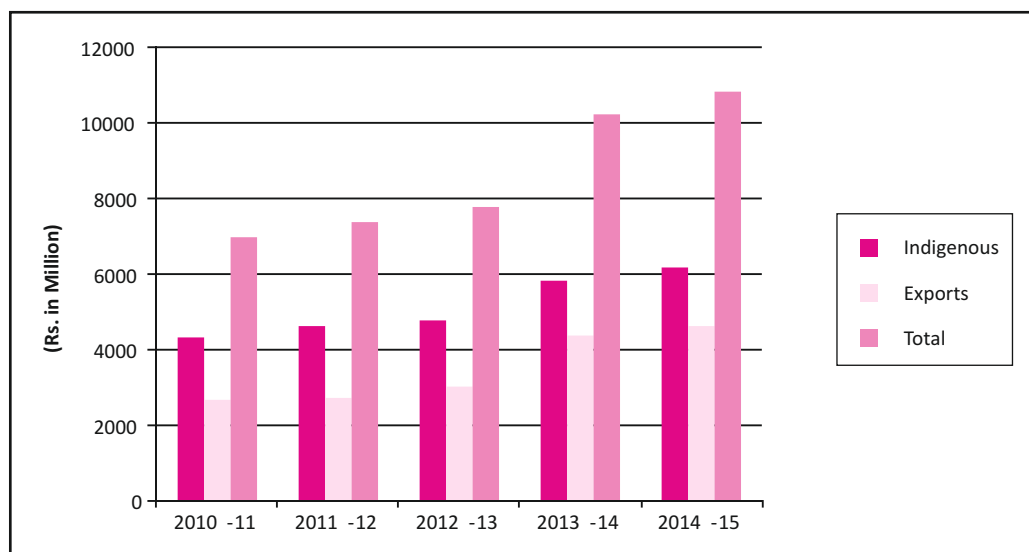
During the year the Company has incurred CSR expenses of Rs. 5,266,843 which includes contribution / donation of Rs. 2,997,500 to trusts (related party) which are engaged in activities eligible under Section 135 of Companies Act, 2013 read with Schedule VII thereto and other expenses of Rs. 1,866,343 directly incurred by the Company.

24. General expenses include donation to Political Party (Nationalist Congress Party) Rs. 2,000,000 (Previous Year : Rs. 2,500,000)**25. The Company has reclassified previous year's figures to conform to this year's classification.**

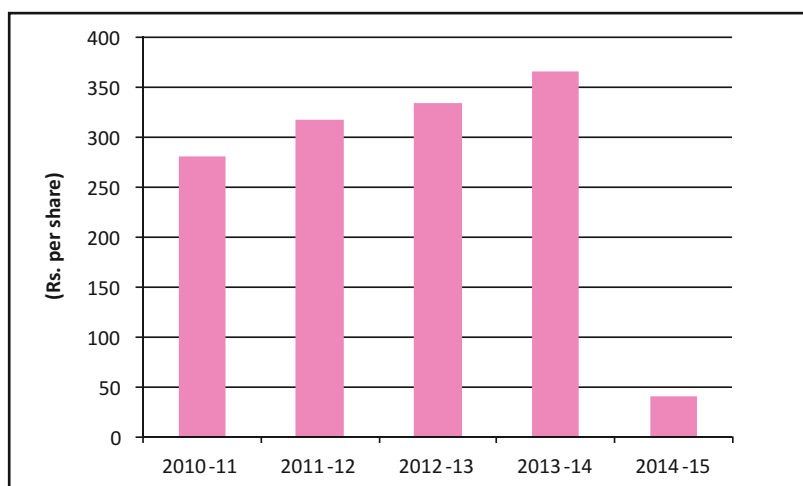
The figures in brackets are those in respect of previous year.

As per our report of even date.	For and on behalf of the Board of Directors		
For B.K.KHARE & Co. Chartered Accountants Firm Regn. No.:105102W	K.L.RATHI Chairman	P.R.RATHI Vice-Chairman & Managing Director	V.V.THAKUR Deputy General Manager - Finance (Acting CFO)
NARESH KUMAR KATARIA Partner Membership No.:037825 Pune : 27 th May, 2015	R.B.RATHI Deputy Managing Director Pune : 27 th May, 2015	N.J.RATHI Director	P.S.RAGHAVAN Company Secretary

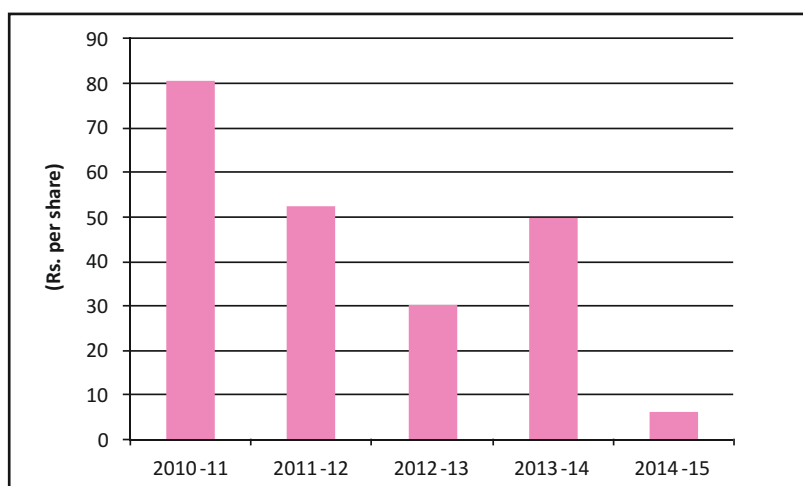
SALES



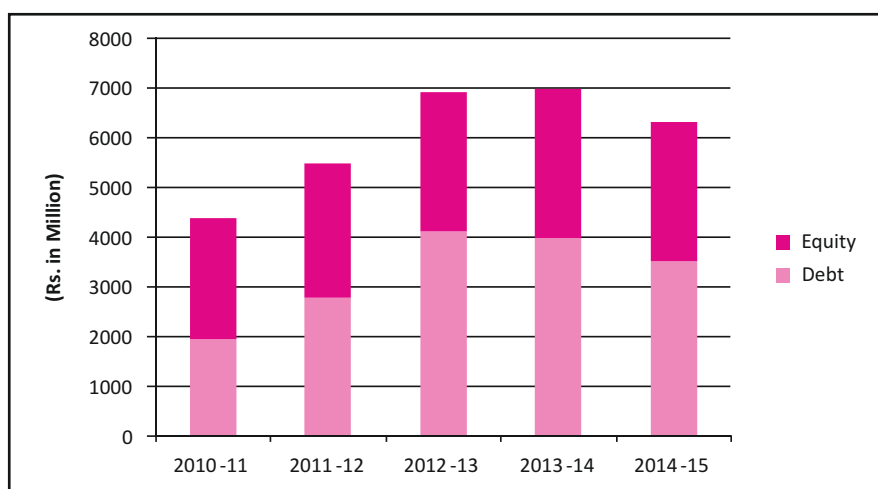
BOOK VALUE



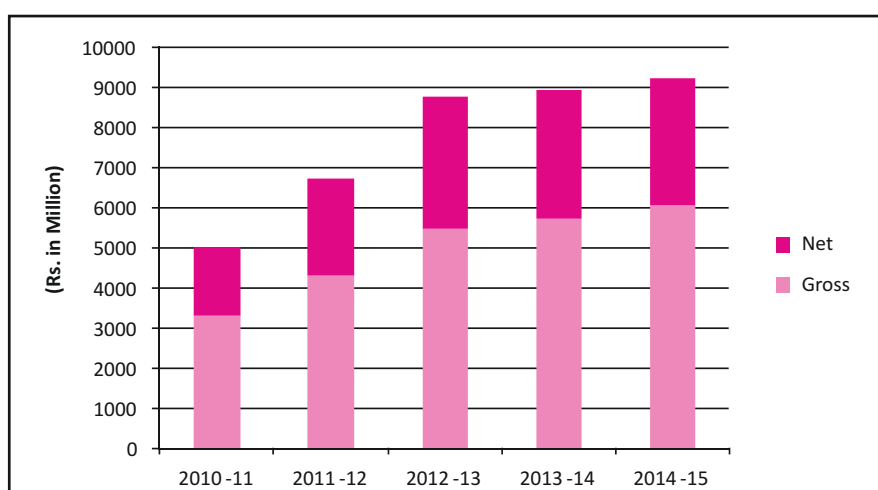
EARNINGS PER SHARE



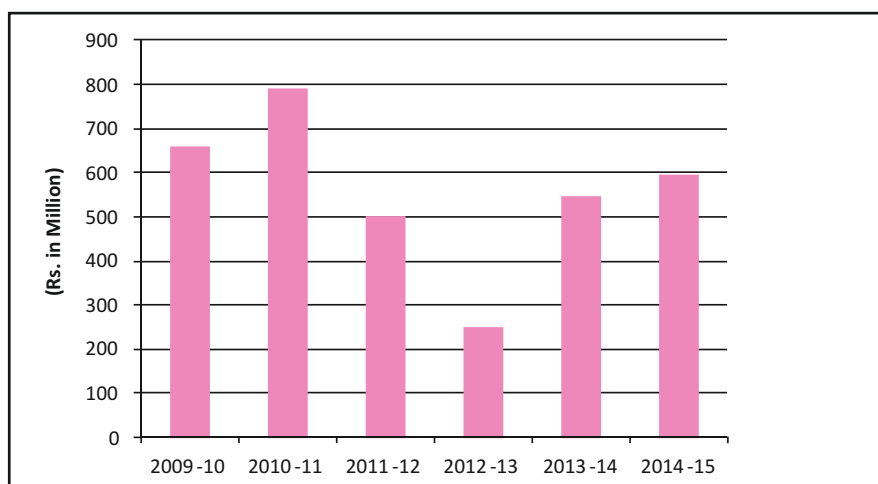
DEBT - EQUITY



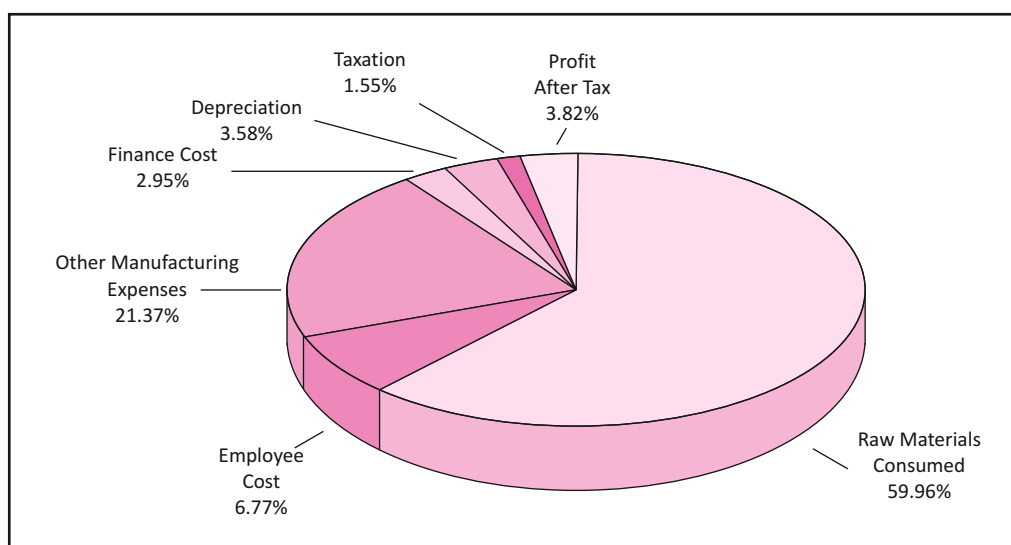
GROSS AND NET FIXED ASSETS



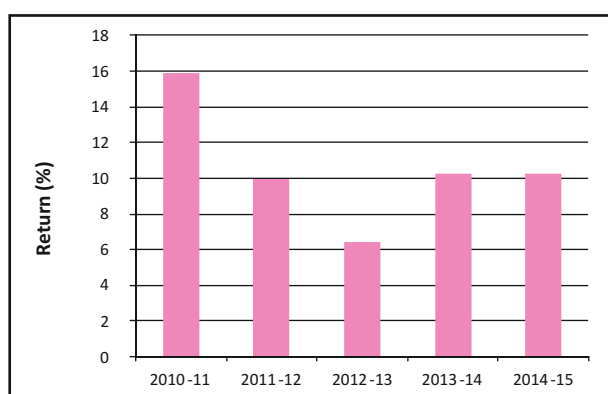
PROFIT BEFORE TAX



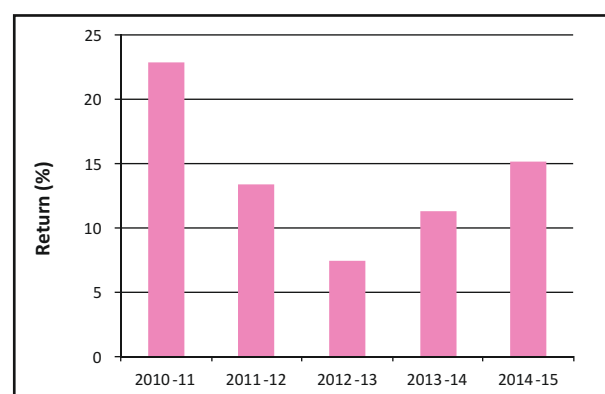
DISTRIBUTION OF REVENUE (RS. IN MILLION)



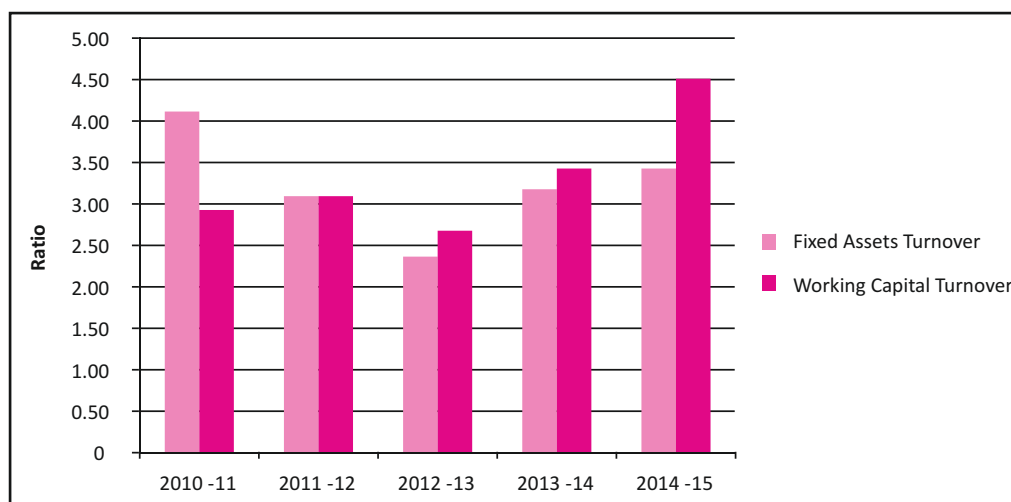
RETURN ON CAPITAL EMPLOYED (%) (ROCE = PBIT/CE)



RETURN ON NET WORTH (%) (RONW = PAT/Shareholders' Funds)



FIXED ASSETS TURNOVER & WORKING CAPITAL TURNOVER



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Notes

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Values

S

SEVA

- I take full ownership to serve our customers with agility and provide a seamless experience.
- I will make my customer experience WOW at every interaction.
- I will serve all our stakeholder with an attitude of “Atithi Devo Bhava”

C

COURAGE

- I will boldly venture into new areas of thought and action.
- I will speak my mind fearlessly but with grace.
- I will accept and share bad news and take responsibility to put things right.

C

COMMITMENT & PASSION

- I take ownership, keep my agreements and deliver on time.
- I will fulfill the expectations of all my internal & external customers passionately.

R

RESPECT

- I will actively listen with empathy.
- I will value other's time.
- I will let everyone present their thoughts, in discussions and let the best idea win on merits only.

T

TRUST

- I would implicitly trust my colleagues and work in a collaborative manner.
- I will always act in the best interest of the organisation .

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Email: info@prescientcolor.com**RIECO Industries Limited****Registered Office:** 1162/2, Shivajinagar,

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