



DIC India Limited

Color and Comfort by Chemistry



ANNUAL REPORT 2015

BOARD OF DIRECTORS

As on 31st December 2015



Dr Prabir Kumar Dutt
Chairman



Shailendra Hari Singh
Managing Director & CEO



Yasuo Ikeda
Chief Operation Officer



Kazunari Sakai



Naoyoshi Furuta



Dr. Reena Sen



Dipak Kumar Banerjee



Subir Bose



Bhaskar Nath Ghosh



Utpal Sengupta



Paul Koek

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Corporate Information

as on 31st December 2015

CIN - L24223WB1947PLC015202

Board of Directors

Dr Prabir Kumar Dutt <i>Chairman</i>	Shailendra Hari Singh <i>Managing Director & CEO</i>	Yasuo Ikeda <i>Chief Operation Officer</i>
Kazunari Sakai	Naoyoshi Furuta	Dr. Reena Sen
Subir Bose	Bhaskar Nath Ghosh	Utpal Sengupta

Banibrata DeSarkar
Company Secretary

Sandip Chatterjee
Chief Finance Officer

Board Committees

Audit

Committee

Dipak Kumar Banerjee – *Chairman*
Subir Bose
Bhaskar Nath Ghosh
Paul Koek
Utpal Sengupta

Investor Grievance & Stakeholders’ Relationship Committee

Utpal Sengupta – *Chairman*
Dr Prabir Kumar Dutt
Paul Koek

Nomination & Remuneration Committee

Dipak Kumar Banerjee – *Chairman*
Subir Bose
Kazunari Sakai
Paul Koek

CSR Committee

Utpal Sengupta – *Chairman*
Subir Bose
Yasuo Ikeda
Paul Koek
Shailendra Hari Singh

Bankers

Bank of Baroda
State Bank of India
Standard Chartered Bank
The Hongkong and Shanghai Banking Corporation Limited

Auditors

Lovelock & Lewes
(Rgn No. 301056E)
Plot No. Y-14, Block EP, Sector V, Salt Lake,
Electronics Complex, Bidhan Nagar, Kolkata - 700 091
Phone : (033) 2357 9260 / 7600

Registrar and Share Transfer Agent

C B Management Services (P) Limited
P-22, Bondal Road, Kolkata - 700 019
CIN - U74140WB1994PTC062959
Phone : (033) 4011 6700 / 2280 6692 / 2282 3643 / 2287 0263
E-mail : rta@cbmsl.com | Website : www.cbmsl.com

Registered Office

Transport Depot Road, Kolkata - 700 088
Phone : (033) 2449 6591-95 Fax : (033) 2449 7033 / 2448 9039
E-mail : investors@dic.co.in Website : www.dicindia.co

Ten Years Record

TEN YEARS FINANCIAL STATISTICS

(Rs. in Million)

	2015 Dec-31	2014 Dec-31	2013 Dec-31	2012 Dec-31	2011 Dec-31	2010 Dec-31	2009 Dec-31	2008 Dec-31	2007 Dec-31	2006 Dec-31
Sales (Net)	7,461	7,187	7,087	7,124	6,748	5,534	4,593	4,719	4,039	3,395
Profit before Tax	403	(181)	120 #	315 #	382 #	649	320	231	167	145
Tax	106	(83)	(5)	100	117	141	97	81	58	45
Profit after Tax	297 #	(309) \$	125 #	215 #	265 #	507	223	151	109	100
Dividend	44 *	—	43 *	43 *	43 *	54 *	43 *	38 *	38 *	28 *
Retained Profit	253	(309)	82	172	222	454	180	113	71	72
Earnings per Share (Rs.)										
– Basic	32.37	(33.65)	13.66 #	23.42 #	28.82 #	55.28	24.29	16.56	15.86	14.51
– Diluted	32.37	(33.65)	13.66 #	23.42 #	28.82 #	55.28	24.29	16.56	15.69	—
Dividend per Share (%)	40 @	—	40	40	40	50	40	35	35	35
Net Worth per										
Equity Share (Rs.)	309.08	283.77	317.44	308.46	289.69	265.53	216.04	196.47	170.52	157.54
PBT to Sales (%)	5.4	(2.52) †	1.69	4.42	5.66	11.72	6.97	4.90	4.14	4.27
PAT on Shareholders										
Funds (%)	10.47	(11.86)	4.30	7.59	9.95	20.82	11.25	8.37	9.30	9.22
Debt Equity Ratio	0.01:1	0.14:1	0.08:1	0.12:1	0.09:1	0.05:1	0.22:1	0.28:1	0.12:1	0.64:1
Sources of Funds										
Share Capital	92	92	92	92	92	92	92	92	69	69
Share Application	—	—	—	—	—	—	—	—	516	—
Reserves & Surplus	2,745	2,513	2,822	2,740	2,567	2,345	1,891	1,712	1,105	1,016
Borrowings	25	352	233	340	227	115	427	497	209	693
	2,862	2,957	3,147	3,172	2,886	2,552	2,410	2,300	1,899	1,778
Application of Funds										
Net Fixed Assets	731	890	976	1,018	897	772	756	745	682	535
Investments	—	—	—	—	—	—	108	108	108	108
Net Current Assets	2,131	2,067	2,171	2,153	1,989	1,780	1,546	1,448	1,109	1,135
	2,862	2,957	3,147	3,172	2,886	2,552	2,410	2,300	1,899	1,178

Notes:

* Includes Tax on Dividend

@ Proposed

After considering Extra-ordinary items

\$ After considering Exceptional item

† Profit before Tax and Exceptional item

DIC INDIA LIMITED



DIC INDIA LIMITED

CIN : L24223WB1947PLC015202.

Regd. Office : Transport Depot Road, Kolkata - 700 088

Website : www.dicindia ltd.co

Email id : investors@dic.co.in

Phone : 033 24496591

Notice

NOTICE is hereby given that the Sixty Eighth Annual General Meeting of the Members of DIC India Limited, will be held at the Williamson Magor Hall in the premises of The Bengal Chamber of Commerce & Industry, Royal Exchange, No. 6 Netaji Subhas Road, Kolkata - 700 001 on Friday, 22nd April 2016 at 11.00 am to transact the following business:

ORDINARY BUSINESS

1. To receive and consider the Statement of Profit & Loss for the financial year ended 31st December 2015, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare final dividend of Rs 4.00 per equity share, to be paid for the financial year ended 31st December 2015.
3. To appoint a Director in place of Dr. Prabir Kumar Dutt (DIN: 00026833), who retires by rotation and being eligible, seeks re-appointment.
4. Appointment of Statutory Auditors and to fix their remuneration.

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

“RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, M/s Lovelock & Lewes, Chartered Accountants (ICAI Firm Registration No.301056E), the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the Sixty Ninth AGM of the Company, on such remuneration plus travelling and out-of-pocket expenses, as may be mutually agreed upon between the Auditors and the Board of the Company.”

SPECIAL BUSINESS

5. Remuneration of Cost Auditor.

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s Sinha Chaudhuri & Associates (Firm Registration No. 000057) appointed as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company for the year ending on 31st December 2016, be paid a remuneration of Rs.30,000/-, exclusive of service tax and out of pocket expenses incurred by them in connection with the aforesaid audit.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

The Register of Members of the Company will remain closed from 16th April 2016 to 22nd April 2016, both days inclusive.

By order of the Board

Registered Office:
Transport Depot Road
Kolkata - 700 088
Date : 5th February 2016

BANIBRATA DESARKAR
Company Secretary

Notes :

- 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the Registered Office of the Company, not less than forty eight hours before the commencement of the Annual General Meeting. As Secretarial Standard 2, the proxy should carry a valid photo-id card to the venue to tender vote.**
2. Corporate Members are requested to send to the Company's Share Department, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
3. The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting is annexed hereto.
4. Shareholders holding shares in identical order of names in more than one folio, are requested to write to the Company or to the office of the Registrar & Share Transfer Agent, M/s C B Management Services (P) Limited, enclosing their share certificate(s) to enable the Company to consolidate their holdings in one single folio.
5. Members holding shares in physical form are requested to notify immediately any change in their address/mandate/bank details to the Company or to the office of the Registrar & Share Transfer Agent, M/s C B Management Services (P) Limited, quoting their folio number. The particulars amendment form forms a part of the Annual Report.
6. Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated 21st March 2013, has mandated usage of electronic mode for making cash payments such as dividend, etc to the investors of Companies whose securities are listed on the Stock Exchanges. Payment of dividend through electronic mode is beneficial to the Members since the risks associated with receiving payment through dividend warrants such as loss in transit/ misplacement /revalidation etc. can be easily mitigated. Therefore, Shareholders are requested to provide particulars of their bank account details for availing 'National Electronic Clearing Service' (NECS) facility. Further, ECS facility is also available to the beneficial owners of shares in demat form. Those desirous of availing the facility may provide their mandate for physical holding to the Company and for demat holding to their DP in writing.
7. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividend for the year ended 31st December 2008 and thereafter, which remains unpaid or unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Accordingly, members who have not encashed their dividend warrant(s) so far for the year ended 31st December 2008 or subsequent years, are requested to make their claim to the Company or to the office of the Registrar & Share Transfer Agent, M/s C B Management Services (P) Limited. Members are advised that in terms of the provisions of the Act, once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.
8. Members desirous of making a nomination in respect of their shareholding in physical form, as permitted under Section 72 of the Companies Act, 2013, are requested to submit the prescribed Form SH13 and SH14, accordingly to the Share Department of the Company or to the office of the Registrar & Share Transfer Agent, M/s C B Management Services (P) Limited. The form for such registration can be obtained by mailing such request to our Registrar & Share Transfer Agent, M/s C B Management Services (P) Limited at rta@cbmsl.com or to us on investors@dic.co.in.

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9. Members are requested to bring the admission slips along with their copy of the Annual Report at the Meeting.
10. The Ministry of Corporate Affairs, Government of India, pursuant to its Green Initiative in Corporate Governance, has permitted under Section 20 of the Companies Act, 2013, the service of documents including the Annual Report consisting of Notice, Accounts and other relevant Reports through the electronic mode. Copies of the Annual Report 2015, notice of the AGM along with attendance slip, proxy form and instructions for e-voting are being sent by electronic mode only to those members whose e-mail addresses are registered with the Company/ Depositories Participants for communication purposes unless any member has requested for a hard copy of the same. Shareholders holding shares in physical/dematerialized form are requested to register/update their e-mail addresses with the Company's Registrar and Share Transfer Agent. The form for such registration can be obtained by mailing such request to our Registrar & Share Transfer Agent, M/s C B Management Services (P) Limited at rta@cbmsl.com or to us on investors@dic.co.in.
11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection at the Company's Registered Office during normal business hours on working days upto the date of AGM.
12. Mr Tarun Chatterjee (Membership No. 17195 and CP No. 6935) has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as voting in the AGM venue in a fair and transparent manner.
13. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically as an alternative to participation at the Annual General meeting to be held on 22nd April 2016, at 11.00 a.m. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facilities. The e-voting facility is available at the link <https://evoting.nsd.com>.

The process for e-voting is enumerated below for your reference:

The instruction for e-voting are as under:

- (i) User ID and Password for e-voting is provided with the AGM Notice, please note that the Password is initial Password.
- (ii) National Securities Depository Limited (NSDL) shall also be sending the User-ID and Password, to those members whose shareholding is in the dematerialized form and whose e-mail addresses are registered with the Company/ Depository participant(s). For members who have not registered their email address, can use the details as provided overleaf.
- (iii) Launch internet browser by typing the following URL: www.eVoting.nsd.com.
- (iv) Click on shareholder – Login.
- (v) Put user ID and Password as initial password noted in step (i) above. Click Login.
- (vi) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) Home page of e-voting opens. Click on e-voting > Acting Voting Cycles.
- (viii) Select “EVEN” (E-Voting event number) of DIC India Limited.
- (ix) Now you are ready for e-voting as Cast Vote page opens.
- (x) Cast your vote selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (xi) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xiii) Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory/ies who are authorized to vote, to the Scrutinizer through e-mail tchatterjeeassociates@gmail.com with a copy marked to evoting@nsdl.co.in.

Notes:

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQ) for Shareholders and e-voting user manual for shareholders available at the Downloads section of www.evoting.nsdl.com.
- II. If you are already registered with NSDL for e-voting then you can use your existing user ID and Password for casting your vote.
- III. The e-voting period commences on 19th April 2016 (9.00 am) and ends on 21st April 2016 (5.00 pm). During this period, Shareholders of the Company holding shares in physical form or in dematerialized form, as on the cut-off date 15th April 2016, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- IV. The voting rights of the Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 15th April 2016.
- V. The Scrutinizer shall within a period of not exceeding three(3) working days from the conclusion of the meeting unlock the votes in the presence of atleast two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VI. The Result shall be declared at the 68th Annual General meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's Website www.dicindiaLtd.co and on the website of NSDL.

Information pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to Documents & Information to shareholders.

(Item Nos. 3):

Dr. Prabir Kumar Dutt

Dr Prabir Kumar Dutt, B.Sc, M.Tech (Chemical Engineering and Chemical Technology), Ph.D (Polymer Chemistry), born on 14th March 1942 joined the Company on 1st August 1970 as a Chemist and was appointed as a member of the Board with effect from 14th May 1984. On 1st January 1987, Dr Dutt was designated as the Assistant Managing Director. Dr Dutt was appointed as the Managing Director with effect from 26th July 1991. Thereafter, Dr. Dutt was appointed as Chairman & Managing Director by the Board with effect from 29th May 2007 and was subsequently re-designated as the Chairman & Chief Executive Officer for a period commencing from 1st April 2008 till 31st March 2011. Considering the succession planning of the Company, the Board of Directors, at its meeting held on 21st October 2010 had approved the fresh terms of appointment of Dr P K Dutt as the Chairman of the Company for a period of 15 (fifteen) months with effect from 1st January 2011 till 31st March 2012.

Considering the contributions made by Dr Dutt, the Board at its meeting held on 8th February 2012 decided to induct Dr Dutt as Additional Director with effect from 1st April 2012 and the same was ratified by the members in the Annual General Meeting held on 29th May 2012. He is not related to any other Directors/KMP of the Company and holds 133 shares of the Company. Dr Dutt is also the member of the Investors' Grievance and Stakeholders Relationship Committee.

Other Directorship and Committee Membership held as on 31st December 2015 by Dr. P K Dutt are as given below:

Name of Company	Board Position Held	Committees of Board	Committee Position Held
DIC Fine Chemicals Pvt. Ltd.	Director	Nil	Nil
CHNHB Association	Committee Member	Nil	Nil

Other than Dr Dutt, no other Director or Key Managerial Personnel of the Company or their relatives are interested in the resolution proposed.

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ITEM NO. 5

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company relating to the business of manufacturing printing inks.

The Board at its meeting held on 5th February 2016 appointed M/s. Sinha Chaudhuri & Associates (Firm Registration No. 000057), Cost Accountants as the Cost Auditor of the Company for the financial year ending on 31st December 2016 at a remuneration of Rs.30000/-, exclusive of reimbursement of service tax and all out of pocket expenses incurred, if any, in connection with the cost audit. The remuneration of the cost auditor is required to be ratified subsequently in accordance to the provisions of the Act and Rule 14 of the abovementioned Rules.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financial or otherwise, in the aforesaid Resolutions set out at item no. 5 of the Notice.

The Board of Directors recommends the Resolutions for your approval.

By order of the Board

Registered Office:
Transport Depot Road
Kolkata - 700 088
Date : 5th February 2016

BANIBRATA DESARKAR
Company Secretary

Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance.

I. MANDATORY REQUIREMENTS

1. Company's Philosophy on Corporate Governance

Corporate Governance refers to a combination of regulations, procedures and voluntary practices that enable companies to maximise stakeholders' value by attracting financial and human capital and efficient performance.

Corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporations and society.

As a responsible corporate citizen, it is the earnest endeavor of the Company to improve its focus on Corporate Governance by increasing accountability and transparency to its shareholders, bankers, customers and other stakeholders.

2. Board of Directors

A) Composition as on 31st December 2015

The Board of Directors of the Company consisted of 11 members, comprising:

- Two Executive Directors in the whole-time employment of the Company.
- Six Non-executive Directors, five of whom are Independent, drawn from amongst persons with experience in business, finance, legal, technology and management.
- Three Non-executive Directors nominated by and representing the Holding Company.

The Chairman of the Board is a Non-executive Director.

The composition of the Board is in conformity with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

B) Other Directorships/Committee memberships held as on 31st December 2015:

Sl. No.	Name of Director	Category	Directorships held in other Companies ^		Committee Memberships held in other Companies #	
			As Director	As Chairman	As Member	As Chairman
1.	Dr P K Dutt	Chairman, Non-executive	—	—	—	—
2.	Mr S H Singh	Managing Director & Chief Executive Officer	—	—	—	—
3.	Mr Y Ikeda	Chief Operating Officer, Executive	—	—	—	—
4.	Mr D K Banerjee	Non-executive & Independent	9	1	5	4
5.	Mr. S Bose	Non-executive & Independent	1	—	—	—
6.	Mr B N Ghosh	Non-executive & Independent	—	—	—	—
7.	Mr U Sengupta	Non-executive & Independent	2	—	—	1
8.	Dr R Sen	Non-executive & Independent	—	—	—	—
9.	Mr K Sakai	Non-executive	—	—	—	—
10.	Mr P Koek	Non-executive	—	—	—	—
11.	Mr N Furuta	Non-executive	—	—	—	—

^ Excludes Directorships held in Private Limited Companies, Foreign Companies, Companies u/s 8 of the Companies Act, 2013 and Memberships of Managing Committees of various Chambers/Institutions/Boards.

Only Memberships/Chairmanships of Audit Committee and Investors Grievance and Stakeholders' Relationship Committee have been considered.

No Director is related to any other Director on the Board in terms of the definition of 'Relative' given under the Companies Act, 2013.

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C) Particulars of change in directorship during the year:

Name of Director	Category	Date of Appointment/ Cessation	Remarks
Mr. Yoshiaki Masuda	Non-executive	4th February 2015	Resigned from the post of Non-executive Director
Dr. Reena Sen	Non-executive and Independent	4th February 2015	Appointed as Non- executive Independent Director
Mr. Kazunari Sakai	Non-executive	4th February 2015	Appointed as Non- executive Director
Mr. Naoyoshi Furuta	Non-executive	4th February 2015	Appointed as Non- executive Director
Mr. Shailendra Hari Singh	Managing Director and Chief Executive Officer	23rd March 2015	Appointed as Managing Director and Chief Executive Officer

Mr B N Ghosh resigned from the post of Non-executive Independent Director with effect from close of working hours of 31st December 2015.

D) Board Meetings held during the year

During the financial year ended 31st December 2015, 8 Board Meetings were held on 4th February 2015, 23rd March 2015, 21st April 2015, 29th June 2015, 27th July 2015, 25th September 2015, 14th October 2015, and 11th December 2015.

E) Attendance of Directors at Board Meetings and last Annual General Meeting

Name of Director	Board Meetings Attended	Last AGM Attended
Dr P K Dutt	7	Yes
Mr Shailendra Hari Singh	7*	N.A.
Mr Y Ikeda	8	Yes
Mr Kazunari Sakai	5*	Yes
Mr P Koek	5	Yes
Mr. Naoyoshi Furuta	4*	No
Mr D K Banerjee	8	Yes
Mr S Bose	5	Yes
Mr B N Ghosh	8*	Yes
Mr U Sengupta	6	No
Dr. Reena Sen	6*	Yes
Mr Yoshiaki Masuda	-*	N.A.

* - Refer Note 2(c) of the Report

F) Particulars of Directors retiring by rotation and seeking re-appointment have been given in the Notice convening the 68th Annual General Meeting and Explanatory Statement, attached thereto.

3. Audit Committee

A) Terms of Reference

The Audit Committee acts as a link between the Internal and Statutory Auditors and the Board of Directors. The Committee provides the Board with additional assurance as to the adequacy of the Company's internal control systems and financial disclosures. The broad terms of reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and to review with the Management and/or Internal Auditors and/or Statutory Auditors in the following areas:

- Overview of the Company's financial reporting process and financial information disclosures;
- Review with the Management, the annual and quarterly financial statements/results before submission to the Board;
- Review with the Management, the Internal and External Audit Reports and the adequacy of internal control systems;
- Review the adequacy and effectiveness of accounting and financial controls of the Company, compliance with the Company's policies and applicable laws and regulations;
- Recommending the appointment and removal of External Auditors and fixation of audit terms;
- Review of utilization of proceeds raised from Public/Rights issues.

B) Composition, Name of Members and Chairperson

The Audit Committee of the Company comprises five members, four of whom are Independent Non-executive Directors and one Non-executive Director representing the Holding Company. All the members of the Audit Committee are qualified and having insight to interpret and understand financial statements.

The Audit Committee of the Company comprises the following members:

Name of Member	Category
Mr D K Banerjee	Chairman
Mr S Bose	Member
Mr B N Ghosh	Member
Mr U Sengupta	Member
Mr P Koek	Member

Mr Banibrata DeSarkar, Company Secretary, has been designated as the “Secretary” to the Audit Committee.

C) Meetings during the year

During the financial year ended 31st December 2015, six meetings were held on 4th February 2015, 21st April 2015, 29th June 2015, 27th July 2015, 25th September 2015 and 14th October 2015.

D) Attendance of Members at the Audit Committee Meetings

The attendance of the Members is as given below:

Name of Member	Meetings Attended
Mr D K Banerjee	6
Mr S Bose	4
Mr B N Ghosh	6
Mr U Sengupta	5
Mr P Koek	3

M/S. Lovelock & Lewes, Statutory Auditors and the Internal Auditor are invited to attend the Audit Committee meetings.

The minutes of the meetings of the Audit Committee are circulated to all the members of the Board.

The Chairman of the Audit Committee will be present at the Annual General Meeting, to answer the shareholders queries, if any.

4. Nomination and Remuneration Committee

A) Terms of Reference

The scope of the Nomination and Remuneration Committee extends to recommending to the Board, the compensation terms of the Executive Directors, including Performance Bonus, Employees Stock Option Scheme etc.

B) Composition, Name of Members and Chairperson

The Nomination and Remuneration Committee of the Company comprises four members, two of whom are Non-executive Directors representing the Holding Company and the Chairman is an Independent Director.

As on 31st December 2015, the Nomination and Remuneration Committee of the Company comprises the following members:

Name of Member	Category
Mr DK Banerjee	Chairman
Mr Kazunari Sakai	Member (Inducted in the Committee on 4th February 2015)
Mr S Bose	Member
Mr P Koek	Member

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C) Meetings and Attendance during the year

During the year ended 31st December 2015, two meetings were held on 4th February 2015 and 15th July 2015.

The attendance of the Members is as given below:

Name of Member	Meetings Attended
Mr D Banerjee	2
Mr Kazunari Sakai	0
Mr S Bose	2
Mr P Koek	2

D) Nomination & Remuneration Policy

The Nomination and Remuneration Committee had recommended the Nomination & Remuneration Policy of the Company to the Board of Directors which was adopted at the Board meeting held on 5th December 2014.

The said policy may be referred to, at the Company's official website at the weblink, <http://www.dicindia.co/corp-gov-nrp.html>.

E) Remuneration paid/payable to the Directors for the financial year ended 31st December 2015.

(Figure in Rs.)

Name of Director	Salary	Performance Bonus	Commission	Allowances, Perquisites & Retirement Benefits	Sitting Fees	Total
Dr P K Dutt	—	—	850,000	—	141,000	991,000
Mr. Shailendra Hari Singh	1,869,230	2,881,731	—	4,065,054	—	8,816,015
Mr Y Ikeda	2,247,000	3,250,000	—	5,789,768	—	11,286,768
Mr D Banerjee	—	—	180,000	—	273,000	453,000
Mr S Bose	—	—	180,000	—	240,000	420,000
Mr B N Ghosh	—	—	180,000	—	225,000	405,000
Mr U Sengupta	—	—	180,000	—	240,000	420,000
Dr. Reena Sen	—	—	163,000	—	105,000	268,000
Mr Kazunari Sakai	—	—	—	—	—	—
Mr P Koek	—	—	—	—	—	—
Mr. Naoyoshi Furuta	—	—	—	—	—	—
Mr. Y Masuda	—	—	—	—	—	—

- Mr Shailendra Hari Singh was appointed as Managing Director and Chief Executive Officer for a period of 5 years with effect from 23rd March 2015 till 22nd March 2020.
- Mr Yasuo Ikeda was appointed as a Whole-time Director designated as Chief Operating Officer for a period of 3 years commencing from 1st January 2014 till 31st December 2016.
- Except for the Whole-time Directors and Independent Directors, all the members of the Board are liable to retire by rotation. The appointment of the Whole-time Director is governed by the resolutions passed by the Board, as per recommendations of the Nomination and Remuneration Committee, which cover the terms and conditions of such appointment read with the service rules of the Company, subject to final approval by the members.
- No Severance Fee is payable and no stock option has been given.
- Performance Bonus payable to the Executive Directors is determined on the basis of the status of the inventory and debtors, profitability and overall financial position of the Company.
- Dr. P K Dutt, Non-executive Chairman holds 133 equity shares of the Company. No other Directors hold any shares or convertible instruments of the Company.
- In addition to the sitting fees, the Company had approved payment of commission to its Resident Non-executive Directors pursuant to approval of the members at the Annual General Meeting held on 12th April 2013. The criteria of payment of commission to the Resident Non-executive Directors, as decided in the Board Meeting held on 9th February 2011 and 8th February 2012, is as under :
 - Non-Executive Chairman - 0.5% of the profits subject to annual ceiling of Rs 850,000/-
 - Others - 0.5% of the profits subject to annual ceiling of Rs 180,000/- per Director.
 The payment of the commission is approved for a period of 5 years commencing from 1st January 2014.
- At present, sitting fees of Rs.18,000/- is paid to the Chairman of the Board and the Chairman of the Audit Committee. A sitting fees of Rs.15,000/- is paid to each Resident Non-executive Director for attending each meeting of the Board and the Committees thereof.
- No commission and sitting fees are payable to the Non-resident Non-executive Directors.
- Other than sitting fees and commission, there is no other pecuniary relationship or transactions with any of the Non-executive Directors.

5. Investors Grievance and Stakeholders' Relationship Committee

A) Terms of Reference

The terms of reference of the Committee include redressal of the shareholders'/investors complaints on transfer of shares, non-receipt of balance sheets, non-receipt of dividend etc.

B) Composition

The Investors Grievance and Stakeholders' Relationship Committee comprise three Directors. As on 31st December 2015, the Committee comprises :

Name of the Member	Category
Mr U Sengupta	Chairman
Dr P K Dutt	Member
Mr P Koek	Member

Mr Banibrata DeSarkar, Company Secretary has been designated as the "Compliance Officer".

C) Attendance

A meeting had been held on 4th February 2015. Dr P K Dutt and Mr P Koek attended the meeting.

D) Status of Transfers

During the year ended 31st December 2015, 1467 shares in physical form were processed for transfer. There were no pending share transfers as on 31st December 2015.

E) Complaints

During the year ended 31st December 2015, the Company had received no complaints and no complaints were pending for redressal either at the beginning or at the end of the year.

6. Risk Management Committee

A) Constitution, Terms and reference

The Company has a Risk Management Policy which was adopted in its meeting held on 3rd March 2006.

The Board in its meeting held on 22nd October 2014 had constituted a Risk Management Committee, defining the roles and responsibilities of the Committee and have delegated to the Committee the function of monitoring and reviewing the risk management plan of the Company. The Committee has the overall responsibility of dealing and approving the various risk policies and associated practices of the Company. The Risk Management Report containing the various risk exposure and mitigation procedure, after its adoption in the Risk Management Committee meeting, is also placed in the subsequent Board meeting.

B) Composition

The Risk Management Committee is constituted of three members, comprising two Directors and Chief Finance Officer. As on 31st December 2015, the Committee comprises :

Name of the Member	Category
Mr. Yasuo Ikeda, Director	Chairman
Mr. Paul Koek, Director	Member
Mr. Sandip Chatterjee, Chief Finance Officer	Member

C) Attendance

A meeting has been held on 11th December 2015. All the members attended the meeting.

7. Corporate Social Responsibility Committee

A) Constitution, Terms and reference

Pursuant to the requirement of Section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Policy was adopted by the Board of Directors at its meeting held on 25th August 2014. This Policy has been placed in the Website of the Company at the weblink, <http://www.dicindiaLtd.co/corp-gov-csr.html>.

B) Composition

The Corporate Social Responsibility Committee is constituted of five directors out of which two are independent directors. As on 31st December 2015, the Committee comprises :

Name of the Member	Category
Mr. Utpal Sengupta	Chairman
Mr. Subir Bose	Member
Mr. Shailendra Hari Singh	Member
Mr. Yasuo Ikeda	Member
Mr. Paul Koek	Member

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C) Meetings and Attendance during the year

During the year ended 31st December 2015, four meetings were held on 21st April 2015, 20th May 2015, 15th July 2015 and 16th November 2015.

The attendance of the Members is as given below:

Name of Member	Meetings Attended
Mr. Utpal Sengupta	4
Mr. S Bose	4
Mr. Shailendra Hari Singh	2*
Mr. Yasuo Ikeda	2
Mr. P Koek	2

*Mr. Shailendra Hari Singh was inducted in the Committee on 21st April 2015.

8. Meeting of the Independent Directors

As per Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors are required to hold at least one meeting in a year to discuss the following:

- Review the performance of non-independent directors and the Board as a whole.
- Review the performance of the Chairperson of the Company taking into account the views of executive directors and non-executive directors.
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Accordingly a meeting had been held on 4th August 2015. All the Independent Directors attended the meeting and discussed the above points.

Nomination and Remuneration Committee in its meeting held on 4th February 2015 adopted the performance evaluation criteria for the Independent Directors and the same has been applied by the Board in its meeting held on 5th February 2016 for evaluating the performance of the Independent Directors.

9. Subsidiary Company

The Company had no subsidiary during the Financial year ended 31st December 2015.

10. General Body Meetings

A) Particulars of last three Annual General Meetings :

AGM	Year Ended	Venue	Date	Time
67th	31.12.2014	Williamson Magor Hall Bengal Chamber of Commerce & Industry, Royal Exchange 6, Netaji Subhas Road, Kolkata - 700 001	23.03.2015	11.00 a.m
66th	31.12.2013	– Do –	27.06.2014	11.00 a.m
65th	31.12.2012	– Do –	12.04.2013	11.00 a.m

B) Postal Ballot Exercise

Approval for appointment of Mr. Shailendra Hari Singh as Wholetime Director designated as Managing Director and Chief Executive Officer was taken through Postal Ballot, the result of which was declared on 26th June 2015. Mr. Tarun Chatterjee of M/s T Chatterjee & Associates, Practising Company Secretaries,

Kolkata, was appointed as the Scrutinizer for conducting the Postal Ballot process. The postal ballot was conducted pursuant to the provisions of Section 110 of Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014. The details of the voting pattern are as follows:

Postal Ballot Results for the appointment of Mr. Shailendra Hari Singh as Whole-time Director designated as Managing Director and Chief Executive Officer

Sl. No	Particulars	E-voting	Ballot Valid Votes	Total
1.	Number of Shareholders voted	44	78	122
2.	Number of shares held	6601471	14643	6616114
3.	Number of voters voted in favour of the Resolution	38	69	107
4.	Number of voters voted against the Resolution	6	9	15
5.	Number of votes in favour of the Resolution	6599271	13423	6612694
6.	Percentage of votes in favour of the Resolution	99.97	91.67	99.94
7.	Number of votes against the Resolution	2200	1220	3420
8.	Percentage of votes against the Resolution	0.03	8.33	0.05

In the forthcoming Annual General Meeting, there is no special resolution on the agenda that needs approval through postal ballot.

C) Particulars of Special Resolutions passed at the last three Annual General Meetings

AGM	Year ended	Particulars of Special Resolution	Date	Time
67th	31.12.2014	Amendment of the Articles of Association	23.03.2015	11.00 a.m.
66th	31.12.2013	NA	27.06.2014	11.00 a.m.
65th	31.12.2012	NA	12.04.2013	11.00 a.m.

D) Particulars of last three Extraordinary General Meetings

Purpose	Venue	Date	Time
Sale of Adhesives Business	Williamson Magor Hall, Bengal Chamber of Commerce & Industry, Royal Exchange 6, Netaji Subhas Road, Kolkata - 700 001	18.12.2000	11.00 a.m.
Allotment of Shares to Coates Brothers Plc., UK on Preferential Basis; Re-appointment and revised remuneration payable to Managing and Wholetime Directors	- Do -	02.12.1993	3.00 p.m.
Issue of Shares on Rights Basis	- Do -	18.12.1992	3.00 p.m.
<i>Others</i>			
Court Convened Meeting for approval of merger of Rohit (Printing Inks & Paints) Industries Private Limited with the Company	- Do -	29.06.2007	10.00 a.m.

11. Disclosures

- A) The Board in its meeting held on 5th December 2014 has adopted Related Party Transaction Policy for determining the materiality of related party transactions and also on the dealings with related parties. This Policy has been placed in the Website of the Company at the weblink, <http://www.dicindialtd.co/corp-gov-rptp.html>.
- B) During the year there were no transactions of material nature with related parties that had potential conflict with the interests of the Company.

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Details of all related party transactions form a part of the accounts as required under Accounting Standard 18 as notified by the Companies (Accounting Standards) Rules, 2006 and the same are given in Note 41 to the Financial Statements.

The omnibus approval of the Audit Committee is taken for all proposed related party transactions to be entered into during the forthcoming year and the details of all related party transactions actually entered into in the preceding quarter is placed before them.

- C) During preparation of financial statements during the period under review, no accounting treatment which was different from that prescribed in the Accounting Standards was followed.
- D) The Company has complied with the requirements of regulatory authorities on capital markets and no penalties/strictures have been imposed against it in the last three years.
- E) The Company has adopted a Risk Management Policy in the meeting of the Board of Directors held on 3rd March 2006. It has laid down procedures to inform the Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risks through means of a properly defined framework. The Company has also constituted Risk Management Committee as per *point (6)*, above.
- F) There were no material, financial and commercial transactions where senior management of the Company had personal interest that may have potential conflict with the interest of the Company at large.
- G) The Company has adopted Whistle Blower Policy(Vigil Mechansim) for Directors and employees which has been placed in the website of the Company at the weblink, <http://www.dicindialtd.co/investers-wbp.html>. No personnel has been denied access to the audit committee.

12. Means of Communication

- A) Half-Yearly Report sent to each household of shareholders : No
- B) Quarterly Results
 - Newspapers published in : March, June & September 2015 - Business Standard (English Daily), Dainik Statesman (Bengali Daily)
 - Website where displayed : www.dicindialtd.co
- C) Audited Financial Results : Year ended 31.12.2015
 - Newspaper published in : Business Standard (English Daily), Ei Samay (Bengali Daily)
- D) Whether the website also displays official news releases and presentations to institutional investors/analysts : No presentation has been made to institutional investors/analysts. Audited/Unaudited Financial Reports including official news releases are displayed in the website.
- E) Whether Management Discussion & Analysis Report is a part of Annual Report : The Report of the Directors, forming part of the Annual Report, includes all aspects of the Management Discussion & Analysis Report.

13. Code of Professional Conduct

The Company has formulated a Code of Conduct for the employees, including the Directors with all the stakeholders of the Company and the same has been adopted by the Board in the meeting held on 29th April 2005. The Code covers dealings with customers and suppliers, shareholders, concern for occupational, health, safety and environment and gender friendly workplace.

Further, the Code of Conduct has been amended to include the Code for Independent Directors pursuant to the Schedule IV of the Companies Act, 2013 by the Board at its meeting held on 5th December 2014. The updated Code is also available on the Company's official website at the weblink, <http://www.dicindialtd.co/corp-gov-cid.html>.

In terms of the resolution passed by the Board of Directors in their meeting held on 5th February 2016, the Board has authorized Mr. Shailendra Hari Singh, Managing Director and Chief Executive Officer to sign all Certificates as may be required, to comply with the statutory requirements.

Accordingly, a declaration from the Chief Executive Officer that all Board Members and Senior Management personnel have duly complied with the Code of Conduct for the financial year ended 31st December 2015 forms part of the Annual report.

14. CEO/CFO Certification

The Certificate duly signed by the Managing Director and Chief Executive Officer and the Chief Finance Officer in respect of the financial year ended 31st December 2015 has been placed before the Board at its meeting held on 5th February 2016 and forms a part of the Annual Report.

15. Familiarisation programme for Independent Directors

The Company has a structured Familiarisation programme through various reports/codes/policies and the same are placed before the Board with a view to update them on the Company's policies and procedures on a regular basis. This includes various business review presentations at the Board Meetings where Company's performance, strategy, initiatives, risk mitigation programmes are discussed.

The details of familiarization programme have been posted in the website of the Company under the weblink <http://www.dicindialtd.co/corp-gov-cor-gov.html>.

II. NON-MANDATORY REQUIREMENTS

1. Office of the Chairman of the Board and re-imburement of expenses by the Company

The Chairman of the Company is a Non-executive Director and no reimbursement of his expenses is made by the Company.

2. Shareholders' Rights

The Company's financial results are published in the newspapers and also posted on its own website (www.dicindialtd.co). Hence, the Financial Results are not sent to the shareholders. However, the Company furnishes the financial results on receipt of request from the shareholders.

3. Modified Opinion in Audit Report

The Company, at present, does not have any modification in the audit opinion.

4. Separate posts of Chairman and CEO

The Company has a separate post of Chairman, who is a Non-Executive Chairman and separate CEO.

5. Reporting of Internal Auditor

The Company's Internal Auditor has the access of reporting directly to the Audit Committee.

Shareholder Information

1. Annual General Meeting

The 68th Annual General Meeting will be held at 11 A.M. on 22nd April 2016 at Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, Royal Exchange, 6, Netaji Subhas Road, Kolkata - 700 001.

2. Financial Year

The Financial Year of the Company is 1st January to 31st December. For the year ended on 31st December 2015, results were announced on :

Approval of	Board Meeting Date
Unaudited Results for 1st quarter ended 31.03.2015	21.04.2015
Unaudited Results for 2nd quarter ended 30.06.2015	27.07.2015
Unaudited Results for 3rd quarter ended 30.09.2015	14.10.2015
Audited Results for financial year ended 31.12.2015	05.02.2016

3. Book Closure Date

The period of book closure is from 16th April 2016 to 22nd April 2016, both days inclusive.

4. Dividend Payment Date

A dividend payment of Rs. 4/- per equity share of Rs. 10.00 each will be paid on 29th April 2016 subject to the approval of the members in the Annual General Meeting.

5. Listing on Stock Exchanges

The equity shares of the Company are listed on :

1. BSE Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
2. National Stock Exchange of India Limited (NSE)
Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
3. The Calcutta Stock Exchange Limited (CSE)
7, Lyons Range, Kolkata - 700 001

6. Listing Fees to Stock Exchanges

The Annual Listing Fees for the year 2014-15 and 2015-16 have been paid to all these Stock Exchanges within the stipulated time.

7. Annual Custody Fees to Depositories

The Company has paid Annual Custody Fees for the year 2014-15 and 2015-16 to both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the stipulated time.

8. International Securities Identification Number (ISIN) of the Company

The International Securities Identification Number (ISIN) of the Company's shares in the dematerialized mode, as allotted by NSDL and CDSL is INE 303A01010.

9. Scrip Code

The Company's Stock Exchange codes are as follows:

Sl. No.	Stock Exchange	Scrip Code
1	BSE Limited	500089
2	National Stock Exchange of India Limited	DICIND
3	The Calcutta Stock Exchange Limited	13217

10. Commodity price Risk or Foreign Exchange Risk and Hedging Activities

The Board monitors the foreign exchange exposures on a quarterly basis and the steps taken by management to limit the risks of adverse exchange rate movement. Similarly, the management monitors commodities/raw materials whose prices are volatile and suitable steps are taken accordingly to minimize risk on the same.

11. Market Price Data

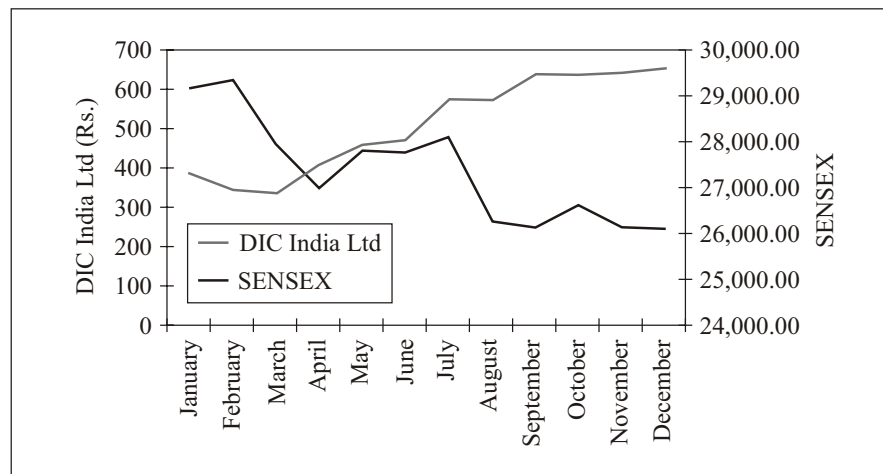
Monthly high and low price of Company's equity shares at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the period from 1st January 2015 to 31st December 2015 are stated hereunder.

Month	NSE		BSE	
	High	Low	High	Low
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
January 2015	398.45	355.20	397.00	360.95
February 2015	395.75	327.20	399.00	330.10
March 2015	365.00	331.00	357.00	333.00
April 2015	453.30	336.65	457.00	341.20
May 2015	477.90	380.10	478.00	384.00
June 2015	484.90	420.15	483.50	401.00
July 2015	597.45	452.00	597.00	470.00
August 2015	745.00	521.00	746.75	536.50
September 2015	658.00	531.15	656.00	540.00
October 2015	733.00	625.15	739.75	629.00
November 2015	676.00	604.15	675.00	610.00
December 2015	699.00	601.00	699.00	601.00

There were no transactions on Calcutta Stock Exchange Limited.

12. Movement of DIC India Limited share price with BSE Sensex

(Based on closing prices of DIC India Limited and BSE Sensex)



DIC INDIA LIMITED

13. Registrar and Share Transfer Agent

Pursuant to the directive of The Securities and Exchange Board of India (SEBI), whereby all work related to share register in terms of both physical and electronic mode for maintenance had to be carried out at a single point, the Company has appointed M/s C B Management Services (P) Limited, Kolkata, from 1st April 2003 as its Registrar & Share Transfer Agent, to handle its entire share related activities, both for physical shares and shares in demat form.

M/s C B Management Services (P) Limited

P-22, Bondel Road, Kolkata - 700 019

Phone: 033-2280 6692-94/40116700

Facsimile: 033 2287 0263

E-mail: rta@cbmsl.com

Website: www.cbmsl.com

14. Investor Grievances

The Company has designated an exclusive e-mail id viz. investors@dic.co.in to enable the investors to register their grievances, if any.

15. Share Transfer System

For expeditious transfer of shares, the Board of Directors has authorised certain officers of the Company to approve share transfers before being placed before the Board for ratification.

16. Shareholding Pattern

Pattern of shareholding by ownership as on 31st December 2015

Category	No. of Shares	% to Share Capital
(A) Promoter's Holding		
Foreign Promoter	6,586,077	71.75
Sub Total (A)	6,586,077	71.75
(B) Non-Promoters Holding		
Financial Institutions/ Banks	4,214	0.05
FII	50	0.00
Central/State Government/President of India	240	0.00
Public	2,175,438	23.70
Others	412,958	4.50
Sub Total (B)	2,592,900	28.25
Grand Total (A+B)	9,178,977	100.00

17. Distribution of Shareholding

Distribution of shareholding as on 31st December 2015 is as follows:

Slab	No. of Shareholders		No. of Shares	
	Total	% of Shareholders	Total	% to Share Capital
1 — 500	7,984	93.40	654,313	7.13
501 — 1000	252	2.95	199,403	2.17
1001 — 2000	146	1.71	217,457	2.37
2001 — 3000	63	0.74	156,307	1.70
3001 — 4000	30	0.35	101,504	1.11
4001 — 5000	17	0.20	79,664	0.87
5001 — 10000	32	0.37	235,144	2.56
10001 — 50000	19	0.22	351,723	3.83
50001 — 100000	2	0.02	139,385	1.52
100001 — above	3	0.04	7,044,077	76.74
Total	8,548	100.00	9,178,977	100.00

18. Reconciliation of Share Capital Audit

As stipulated by SEBI, Mr T Chatterjee and Associates (Membership No. 16195 and CP No. 6935), Practising Company Secretary carries out Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and to the Board of Directors. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

19. Dematerialization of Shares and Liquidity

As per notification issued by SEBI, with effect from 26th June 2000, it has become mandatory to trade in the Company's shares in the electronic form. The Company's shares are available for trading in the depository systems of both the NSDL and CDSL.

As on 31st December 2015, 98.04% of the Company's total paid up capital representing 8,998,863 equity shares were held in dematerialised form and the balance 1.96% representing 180,114 equity shares were held in physical form.

20. Disclosure with respect to demat suspense account/unclaimed suspense account

As on 31st December 2015, there are no outstanding shares lying in the demat suspense account/unclaimed suspense account.

21. Address for correspondence with Depositories

National Securities Depository Limited
Trade World, 4th & 5th Floor
Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai - 400 013

Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers, 17th Floor,
Dalal Street
Mumbai - 400 001

Telephone No : 022-2499 4200
Facsimile Nos : 022-2497 2993/6351
E-mail : info@nsdl.co.in
Website : www.nsdl.co.in

Telephone No : 022-2272 3333
Facsimile Nos : 022-2272 3199/2072
E-mail : investors@cdslindia.com
Website : www.cdslindia.com

DIC INDIA LIMITED**22. Outstanding GDR/Warrants and Convertible Bonds, Conversion Dates and likely impact on Equity**

The Company had no outstanding GDRs/ADRs/Warrants or any Convertible instruments.

23. Dividend History (last 10 years)

Sl. No.	Financial year	Dividend %	Total Dividend (Rs. in Million)
1	2015	40	36.72
2	2014	Nil	0.00
3	2013	40	36.72
4	2012	40	36.72
5	2011	40	36.72
6	2010	50	45.89
7	2009	40	36.72
8	2008	35	32.13
9	2007	35	32.13
10	2006	35	24.09

24. Unclaimed Dividend

Unclaimed dividend for the last three financial years has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government, as per table given hereinbelow:

Financial year	Dividend Identification No.	Date of Declaration of Dividend	Total Dividend (Rs.)	Unclaimed Dividend as on date of Transfer (Rs.)	Transferred to IEPF on
31.12.2005	58th	15.05.2006	24,099,379.50	144,183.00	20.06.2013
31.12.2006	59th	29.05.2007	24,099,379.50	143,965.00	11.07.2014
31.12.2007	60th	12.06.2008	32,126,419.50	154,584.00	05.08.2015

Under Companies Act, 2013, no claim for unencashed dividends can lie against either the Company or the IEPF after a period of seven years from the date of disbursement. The dividend for the undernoted years, if unclaimed for seven years, will be transferred by the Company to IEPF in accordance with the schedule given below:

Financial year	Dividend Identification No.	Date of Declaration of Dividend	Total Dividend (Rs.)	Unclaimed Dividend as on 31.12.2015 (Rs.)	Due for transfer to IEPF on
31.12.2008	61st	12.05.2009	32,126,419.50	199,867	19.06.2016
31.12.2009	62nd	02.06.2010	36,715,908.00	236,500	10.07.2017
31.12.2010	63rd	28.04.2011	45,894,885.00	274,765	04.06.2018
31.12.2011	64th	29.05.2012	36,715,908.00	227,772	05.07.2019
31.12.2012	65th	12.04.2013	36,715,908.00	239,372	12.05.2020
31.12.2013	66th	27.06.2014	36,715,908.00	253,052	26.07.2021
31.12.2014	67th	23.03.2015	Nil	Nil	NA

25. Plant Locations

Location	Address
Kolkata	Transport Depot Road, Kolkata - 700 088
Noida	C - 55 A & B, Phase II, Dist. Gautam Budh Nagar, Noida - 201 305
Ahmedabad	Plot No. 633 & 634, G.I.D.C. Industrial Estate, Phase IV, Vatva, Ahmedabad - 382 445
Bengaluru	66A, Bommasandra Industrial Area, Hosur Road, Anekal Taluk, Bengaluru - 562 158

26. Address for correspondence with the Compliance Officer / Investor Complaint Redressal Officer of the Company

Mr Banibrata DeSarkar
Company Secretary

DIC INDIA LIMITED

Transport Depot Road, Kolkata - 700 088

Phone : 033 2449 6591 to 96 (6 lines), Facsimile : 033 2449 5267

E-mail : b.desarkar@dic.co.in Website : www.dicindia ltd.co

DIC INDIA LIMITED

Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

CERTIFICATION

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 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 their knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the listed entity'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 listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For **DIC India Limited**

(Shailendra Hari Singh)
Managing Director & CEO

Place: Kolkata
Date: 4th February 2016

(Sandip Chatterjee)
Chief Finance Officer

**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT OF
THE COMPANY**

This is to state that the Company had duly adopted a Code of Conduct in the meeting of the Board of Directors held on 29th April 2005. After adoption of the Code of Conduct, the same was circulated to all the Board of Members and senior management personnel for compliance. The Code of Conduct has also been posted on the website of the Company. The Company has since received declaration from all the Board Members and senior management personnel affirming compliance of the Code of Conduct of the Company in respect of the financial year 31st December 2015. The same has been duly noted by the Board in its meeting held on 5th February 2016.

For **DIC India Limited**

(Shailendra Hari Singh)
Managing Director & CEO

Place: Kolkata
Date: 5th February 2016

AUDITORS' CERTIFICATE
AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF
CORPORATE GOVERNANCE

To the Members of DIC India Limited

We have examined the compliance of conditions of Corporate Governance by DIC India Limited, for the year ended 31st December 2015, as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of 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 Agreements.

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.

Place : Kolkata
Date : 4th February 2016

For Lovelock and Lewes
Firm Registration Number - 301056E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership No. 57572

Report of the Directors & Management Discussion and Analysis Report

Your Directors have pleasure in presenting the Annual Report for the year ended 31st December 2015.

ECONOMIC ENVIRONMENT

The Global economy growth in 2015 had not been as good as was expected. Even though growth was noticed in United States and United Kingdom, Euro Area and Japan lagged behind. China is still growing at a decent pace however on a path of gradual deceleration.

Amongst all these, India with GDP growth of 7.4% in the July-September quarter went ahead of China where growth was 6.9% for the corresponding period, firmly cementing its position as the world's fastest growing major economy in 2015. The growth of Indian economy has to be seen in the backdrop of negative export growth during the year due to stagnation in global economic growth and another bad monsoon. The GDP growth in 2015 was mainly fuelled by falling crude prices which was the lowest in the decade and also other commodity prices. This helped check the balance of payment from going awry. This was because crude is one of the largest import baskets and the lower price helped raise the economy. The low crude prices helped improving corporate performances overall and your Company, with petro based products being one of the major inputs, was no exception and accordingly reaped the benefit of the price drop. However, the devaluation of the Chinese yuan contributed to the fall in Indian rupee which to some extent set off the benefit achieved from lower crude price. As inflation eased, the Reserve Bank of India (RBI) cut interest rates four times this year to reduce the cost of borrowing and help stimulate growth.

Amongst major factors which is considered to revolutionize the Indian business scenario, expectations remains high that key reforms, in particular a long-delayed goods and services tax (GST) bill would be passed shortly. India's GDP growth is expected to be stable at 7.5% in 2016-17 as it is more dependent on its inherent strength and is less exposed to external factors, including slowdown in China and global capital flows.

PERFORMANCE REVIEW

Your Company recorded a turnover of Rs.7460.62 million as against Rs.7186.96 million in the previous year registering an increase of 5 % in terms of value as well as volume.

	(Rs. In Million)	
	2015	2014
Sales excluding excise duty	7460.62	7186.95
Other Income	34.78	35.04
Total Revenue	7495.40	7221.99
Operating Profit	45.2	(11.1)
Profit before Taxation	402.97	(392.23)
Provision for Taxation including deferred taxation	(105.85)	83.34
Profit after Tax	297.12	(308.89)
Profit brought forward from the previous year	1203.81	1512.71
Amount available for Appropriation:	1480.23	1203.81
Appropriation-		
Proposed Dividend	36.72	-
Tax on Dividend	7.47	-
General reserve	10.00	-
Balance Carried Forward	1435.06	1203.81

Coupled with a fall in input prices and adopting various strategies, the Company went from a Loss (before tax) of Rs.392.23 million in the previous year to profit before tax of Rs 402.97 million. Similarly, profit after tax was Rs 297.12 million as against a negative profit after tax of Rs.308.90 million.

The Board in its meeting held on 23rd March 2015 had appointed Mr. Shailendra Hari Singh as the Managing Director and CEO with effect from 23rd March 2015 for the period of five years.

To ensure that the Company is able to maintain its profitability, your management has taken several steps like cost effectiveness, rationalization of expenditures, improving operational efficiencies and induction of new technology. The Management expects that the Company would be able to repeat its performances in the future also.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

CHANGES IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the financial year ended 31st December 2015.

OUTLOOK

The printing ink industry comprise of publication and commercial, packaging and others. Amongst them, the packaging application segment is the main growth driver in the printing ink industry led by growth in demand for flexible packaging and other packaging materials in various industries. As per surveys, the global printing inks market is poised to sustain a healthy compounded annual growth rate (CAGR) of 5.0% from 2014 through 2020. India being amongst the fastest growing economy is no exception and would replicate the growth.

TRANSFER TO RESERVES

The Company proposes to transfer a sum of Rs. 1,000,000 to Reserve during the financial year ended 31st December 2015.

DIVIDEND

Your Board recommends the rate of dividend declared to be Rs 4.00 per share (FY2014 Rs.Nil per share), subject to approval of shareholders at the ensuing Annual General Meeting.

CHANGE IN SHARE CAPITAL

The paid up share capital of the Company as on 31st December 2015 was Rs 91.98 million and there has been no change in the capital structure of the Company.

PUBLIC DEPOSITS

The Company has not accepted any deposits during the year under review.

BOARD MEETINGS

The Board evaluates all the decisions on a collective consensus basis amongst the Directors. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

During the financial year ended 31st December 2015, 8 (eight) Meetings of the Board of Directors of the Company were held.

The details of the Board Meetings held during the F.Y. 2015 have been furnished under Clause I(2)(D) in the Corporate Governance Report forming a part of this Annual Report.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have given declaration to the Company stating their independence pursuant to Section 149(6) of the Companies Act, 2013 and the same have been placed and noted by the Board in its meeting held on 4th February 2015.

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REMUNERATION POLICY

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and Rules thereto stating therein the Companies policy on Directors' appointment and remuneration by the Nomination and Remuneration Committee and approved by the Board of Directors at its meeting held on 5th December 2014.

The said policy may be referred to, at the Company's official website at the weblink, <http://www.dicindialtd.co/corp-gov-nrp.html>.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan, guarantees or made any investments exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, as prescribed in Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

A Related Party Policy has been devised by the Board of Directors at its meeting held on 5th December 2014 for determining the materiality of transactions with related parties and dealings with them. The said policy may be referred to, at the Company's official website at the weblink, <http://www.dicindialtd.co/corp-gov-rpt.html>. The Audit Committee reviews all related party transactions quarterly.

Further the members may note that the Company has not entered into the following kinds of related party transactions:

- Contracts/arrangement/transactions which are not at arm's length basis
- Any Material contracts/arrangement/transactions

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 forms part of this report and is annexed herewith and marked as Annexure A.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

According to Regulation of 25(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a meeting of the Independent Directors is required to be held to evaluate the performance of the Non-Independent Directors. Accordingly, a meeting of Independent Directors was held on 4th August 2015 wherein the performance of the non-independent directors, including the Chairman was evaluated.

The Nomination and Remuneration Committee at its meeting held on 4th February 2015 established the relevant criteria. Based on the said criteria, the Board at its meeting held on 5th February 2016 critically adjudged the performance of the Independent Directors in the absence of the particular director being evaluated.

CAPITAL EXPENDITURE

Capital Expenditure during the year, towards tangible & intangible assets, amounted to Rs. 56.77 million, a major part of which was spent on building and plant & machinery.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

As required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange earnings & outgo is annexed and forms a part of this Report.

SUBSIDIARY/ASSOCIATES/JOINT VENTURE COMPANIES

The Company does not have any subsidiary/associate/joint venture company for the year ended 31st December 2015.

HUMAN RESOURCES

Your Company believes that the competence and commitment of the people are the principle drivers of competitive advantage that enable the enterprise to create and deliver value. The industrial relations climate of your Company continues to remain harmonious with focus on improving productivity, quality and safety. Efforts are being made to strengthen organizational culture in order to attract and retain the best talent in the industry. Training needs are identified in a systematic manner and regular training programmes are organised, both in-house and external where employees are nominated to participate. The Board records its appreciation of the commitment and support of the employees and looks forward to their continued support. As on 31st December 2015, the Company had 846 employees (including contractual and third party) on its pay roll.

Information in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, forms part of this Report. As per the provisions of Section 136(1) of the Companies Act, 2013, the Annual report excluding the information on employee's particulars is being sent to the members which is, however, available for inspection at the Registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee and free of cost.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION&REDRESSAL)ACT 2013

The Company has framed a Policy under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013. No complaint has been received during the year ended 31st December 2015.

WEBSITE OF THE COMPANY

The Company maintains a website www.dicindia.co where detailed information of the Company and its products are provided.

WHISTLE BLOWER MECHANISM

The Company has a Whistle Blower Policy in place for vigil mechanism. The said policy has been amended keeping in view of the amendments in the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy may be referred to, at the Company's official website at the weblink, <http://www.dicindia.co/investers-wbp.html>.

INTERNAL CONTROL SYSTEMS

Your Company has an adequate system of internal control procedures which is commensurate with the size and nature of business. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The internal control systems of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors. The observations and comments of the Audit Committee are placed before the Board.

LISTING WITH STOCK EXCHANGES

Your Company is listed with The Calcutta Stock Exchange Limited, BSE Limited and National Stock Exchange of India Limited and the Company has paid the listing fees to each of the Exchanges.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no significant material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

AUDIT COMMITTEE

The composition and terms of reference of the Audit Committee has been furnished under Clause I(3) in the Corporate Governance Report forming a part of this Annual Report. There had been no instances where the Board has not accepted the recommendations of the Audit Committee.

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CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Committee has been constituted by the Board of Directors of the Company at its meeting held on 26th March 2014 and subsequently reconstituted on 26th April 2014. The present constitution of the Committee is as follows:

Sl. No.	Name of the Director	Category	Designation in the Committee
1	Mr Utpal Sengupta	Independent Director	Chairman
2	Mr Subir Bose	Independent Director	Member
3	Mr Yasuo Ikeda	Whole-time Director	Member
4	Mr Paul Koek	Non-executive Director	Member

The said policy may be referred to, at the Company's official website at the weblink, <http://www.dicindiaLtd.co/corp-gov-csr.html>.

As the members would be aware, the company had a loss of Rs 392.23 million during the year ended 31st December 2014 and as such, in view of the loss, the Management decided not to engage in CSR activity till the position of the Company was consolidated. Accordingly, no expenditure was incurred on the CSR front for the year ended on 31st December 2015.

For the financial year ended 31st December 2015, the Company has a profit after tax of Rs. 402.97 million. Pursuant to the provisions of Sec 135 of the Companies Act, 2013 and applicable Rules, the Company has a corpus of Rs 2.85 million in its CSR funds to be expended towards fulfilling its responsibility towards the society.

The Management of the Company held detailed discussion internally and it was decided that the company at present did not have the infrastructure to implement and regulate CSR activities on its own. Considering the same, detailed discussions were held with various eligible NGO's registered with the governing body, Indian Institute of Corporate Affairs, for exploring the best avenue open to the Company.

Your management is pleased to inform that the Company has decided to focus on child education as its core CSR activity and has accordingly executed MOU with Child Relief and You (CRY) to fund with a total of Rs 2.72 million (estimated) to its Vikramshila Project in Monteswar block of Burdwan district in West Bengal and Pardarshita project at Sundernagri which falls in Zone 5 of North East District of Delhi which is expected to collectively benefit approx 6500 students between the age of 0-18 years who due to various reasons like lack of infrastructure, have no access to proper education. To ensure accountability, CRY will be asked to define "collective benefits" and payment will be phased in tune with the time frame, activities and measurable outcomes and timely reporting with indicators of achievement.

The Company wishes to inform the members that it is well aware of its responsibility towards fulfilling its social responsibility. The Company would take necessary action over the next two years to fulfill its CSR obligations.

CORPORATE GOVERNANCE

Your Company attaches considerable significance to good Corporate Governance as an important step towards building investor confidence, improving investors' protection and maximizing long-term shareholders value. The certificate of the Auditors, M/s Lovelock & Lewes, confirming compliance of conditions of Corporate Governance as stipulated under Schedule V(E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Stock Exchanges is annexed.

SAFETY AND ENVIRONMENT

Highest priority is accorded to environment, occupational health and safety by your Company. Your Company's factories at Kolkata, Noida and Ahmedabad are all ISO certified by BVQI. Kolkata and Noida plant are ISO 9001:2008, ISO 14001:2004 and BS OHSAS 18001:2007 certified while Ahmedabad plant is ISO 9001:2008 certified. Your Directors, through the Company's Safety, Health and Environment Department, oversee and review the integrated Environment, Occupational Health and Safety Audits which ensure comprehensive coverage of all

Company locations. Various proactive measures have been adopted and implemented which inter-alia include adoption of cleaner technology, conservation of resources through waste reduction, recycling and reuse of waste materials and ongoing training of employees. Your Company's focus on sustainable development will continue to be reinforced by improving standards of safety and environmental protection and further strengthened by the association with DIC Corporation, Japan which accords vital importance to these aspects.

INFORMATION SYSTEM

In a business where information is critical, Information Technology plays a vital role, facilitating informed decision-making to grow the business. Over the years, the Company has invested extensively in infrastructure, people and processes with the objective to capture, protect and transmit information with speed and accuracy.

To align with the DIC Group requirement, the Company has installed SAP ERP suite for a reliable, high end, comprehensive, disciplined and integrated business solution.

DIRECTORS

Pursuant to the recommendation of the Nomination & Remuneration Committee who in its meeting held on 4th February 2015 had recommended the same, the Board in its meeting held on 23rd March 2015 had appointed Mr Shailendra Hari Singh as the Managing Director & CEO of the Company with effect from 23rd March 2015 for a period of 5 years.

Mr. Shailendra Hari Singh, born on 12th May 1964, graduated from Institute of Chemical Technology (formerly University Department of Chemical Technology, Mumbai) in 1985. He has around 30 years of experience in the chemical industry. Prior to his appointment in DIC India Ltd., Mr Singh was the Asia Pacific Coatings Industry Manager of Eastman Chemical Company based in Singapore where he was responsible for integrating & aligning marketing, sales & technology functions, defining key growth platforms and executing business strategy by defining key milestones, organisation development & resource requirement.

In the present leadership role, Mr. Shailendra Hari Singh is responsible for leading the development and execution of the Group and Company's long term strategy and continuously generating and growing shareholder's value through sound business strategies and drive strong business growth.

The members through Postal Ballot, results of which was declared on 26th June 2015, has approved the appointment of Mr Shailendra Hari Singh as the Managing Director & Chief Executive Officer.

In terms of Articles of Association of the Company, Dr. P K Dutt retire from the Board by rotation and being eligible, offer himself for re-appointment. The appointment of Dr. Dutt form part of the Notice of Annual General Meeting and the Resolutions are recommended for your approval. The profile of Dr Dutt is given in the Notice of the Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, the Directors state that:

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

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- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COST AUDIT

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company relating to the business of manufacturing printing inks. Accordingly, M/s. Sinha Chaudhuri & Associates, Cost Accountants (Firm regn No. 000057) were appointed as the Cost Auditors for auditing the Company's cost accounts for the year ended 31st December 2016.

STATUTORY AUDITORS

Messrs Lovelock & Lewes, Chartered Accountants (FRN 301056E), retiring Auditors, being eligible, offer themselves for re-appointment.

STATUTORY AUDITORS' OBSERVATIONS

The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report is a Un-modified report and does not contain any qualification, reservation, adverse remark or disclaimer.

SECRETARIAL AUDITOR

The provisions of Section 204 read with Section 134(3) of the Companies Act, 2013 mandates Secretarial Audit of the Company to be done from the financial year commencing on or after 1st April 2014 by a Company Secretary in Practice. The Board in its meeting held on 5th February 2016 ratified the appointment of Mr. Tarun Chatterjee, Practising Company Secretary (Certificate of Practice No. 6935) as the Secretarial Auditor for the financial year ending 31st December 2015. The Secretarial Auditors' Report for the financial year ending 31st December 2015 is annexed to the Boards' Report.

TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

The Company has transferred a total sum of Rs.0.14 million during the financial year 2015 to the Investor Education & Protection Fund established by the Central Government, in compliance with Section 205C of the Companies Act, 1956.

RESEARCH & DEVELOPMENT

The Company has obtained approval for In-house R&D facilities u/s 35(2AB) of Income Tax Act, 1961 for its units at Kolkata, Bengaluru and Noida from Government of India, Ministry of Science and Technology, New Delhi. This approval is valid till 31st March 2018. The Company will make suitable applications for renewal of approval for the above facilities in due course.

RISKS & MITIGATING STEPS

The Company has identified various risks faced by the Company from different areas. As required under Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has adopted a risk management policy whereby a proper framework is set up. Appropriate structures are present so that risks are inherently monitored and controlled. A combination of policies and procedures attempts to counter risk as and when they evolve. The Company has also formed a Risk management Committee which monitors the various functions and regions to establish any risk existing in the operational functions of the Company. The constitution and terms of reference are set out in details in the Corporate Governance Report.

The risks and its mitigating factors are discussed by the Committee and subsequently placed before the Board for their opinion and advice. The current risk management report was discussed by the Board in its meeting held on 11th December 2015.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions, Reserve Bank of India, Securities and Exchange Board of India and Central and State Governments for their consistent support and encouragement to the Company. I am sure you will join our Directors in conveying our sincere appreciation to all employees of the Company and Associates for their hard work and commitment. Their dedication and competence has ensured that the Company continues to be a significant and leading player in the printing ink industry.

On behalf of the Board

Dr. Prabir Kumar Dutt
Chairman

Place: Kolkata
Date: 5th February 2016

Shailendra Hari Singh
Managing Director & CEO

Cautionary Statement: Statement in the Directors' Report and Management Discussion & Analysis Report describing the Company's expectations may be forward-looking within the meaning of applicable securities laws & regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operation include global and domestic demands and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their costs, changes in government policies and tax laws, economic development of the country and such other factors which are material to the business of the Company.

ANNEXURE TO THE DIRECTORS' REPORT

Statement pursuant to Section 134(m) of the Companies Act, 2013, read with The Companies (Accounts) Rules, 2014, forming part of the Directors' Report

Conservation of Energy

The Company's operations do not involve substantial consumption of energy in comparison to the cost of production. Energy conservation measures have been implemented in the following areas:

1. Rationalization of capacitor power bank at Noida and Kolkata plant.
2. Introduction of CNG for boilers at Noida in place of high speed diesel.
3. Introduction of smaller air compressor during night shift at Noida.
4. Cooling tower fan motor control according to water temperature at Noida.

Total energy consumption is as per Form-A and forms part of the Report.

FORM - A

CONSERVATION OF ENERGY FOR THE ACCOUNTING PERIOD ENDED 31ST DECEMBER 2014

(A) Power and Fuel Consumption

(a)	Fuel consumption	Units	2015	2014
1	Electricity			
(i)	Purchased from Electricity Board			
	KWH	Million	5.18	4.94
	Total Amount	Rs. in Million	41.73	36.93
	Average Rate	Rs./Units	8.06	7.47
(ii)	Purchased from Others			
	KWH	Million	6.60	6.09
	Total Amount	Rs. in Million	58.76	50.63
	Average Rate	Rs./Units	8.91	8.30
(iii)	Own Generation - through Diesel Generator			
	KWH	Million	0.32	0.35
	Unit per litre of diesel	Kwh	4.54	3.37
	Average Rate	Rs./Units	14.14	17.40
2.	HSD Used [other than 1(iii) above]			
	Ltrs	Million	0.36	0.41
	Total Amount	Rs in million	18.25	25.61
	Average Rate	Rs./Units	50.14	62.96
3.	Furnace Oil			
	Ltrs	Million	—	—
	Total Amount	Rs. in Million	—	—
	Average Rate	Rs./Units	—	—

(b) Consumption per Unit of Production

Electricity	} Since the Company manufactures different types of products, it is not practicable to give consumption per unit of production.
HSD	
Furnace Oil	

(B) Research & Development

1. Specific Areas in which R&D efforts have been put in by the Company

For development of:

- Development of Volatile Organic Content free semi finished colour range for Sheetfed application
- Development of Sheetfed process colours set for non-woven substrate
- Development of high-gloss Wet Offset UV varnish
- Development of Water based primer and online UV varnish for twin coater application
- Gravure UV varnish for paper

2. Benefits derived as a result of R&D

The Company has successfully developed the previously mentioned technology(ies) and products listed in B1 above and the process of technology. These have resulted in:

- Opportunities to expand business in new areas
- Cost and quality advantage in highly competitive inks market.
- Develop indigenous production process
- Inks range expanded to cater high-end customers and will act as an import substitute
- Environment friendly products

3. Future Plan of Action

The Company's R&D is working continuously for the development of new products, processes and improved formulations to give high quality superior performance inks for different applications to its customers.

4. Expenditure on R&D

The Company has modern R&D Centres at Kolkata, Bengaluru and Noida unit which are recognized by Dept. of Scientific and Industrial Research, Ministry of Science & Technology, Government of India. During the year, the Company has incurred the following expenditures on R&D Facilities:

- (a) Capital Expenditure of Rs.4.55 million
- (b) Recurring Expenditure of Rs. 27.79 million,
- (c) Total Expenditure Rs. 32.34 million and
- (d) Total R&D Expenditure as a percentage to total Turnover was 0.43%.

C. Technology Absorption, Adoption and Innovation

1. The efforts made towards Technology Absorption, Adoption and Innovation

The Company has been successfully developing the technologies and products listed in B1 above.

2. Benefits derived as a Result of above Efforts

As a result of the aforesaid efforts, the Company has been able to expand its business reach apart from becoming more competitive, which will give significant edge over the others. Some of the inks will provide import substitute, which will be an added advantage to the Country also.

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3. Information in case of Imported Technology (Imported during the last Five years, reckoned from the beginning of the Financial Year).

The Company has executed an Agreement with its Parent Company, DIC Corporation (formerly Dainippon Ink & Chemicals Inc.) Japan on 1st April 2007 (with effect from 1st January 2007 till 31st December 2016) to import technology and technical information for manufacturing poly-ester poly-urethane poly-urea resin solely for captive consumption. Poly-ester poly-urethane poly-urea resin is used to manufacture gravure inks, a finished product of the company and comes under the segment of liquid ink. Poly-ester poly urethane poly-urea resins are presently being imported and such manufacture in India through DIC technology will reduce the company's dependence on imported items. Further, it will reduce the cost of the company to a great extent.

The Company had also executed a fresh Technical Collaboration Agreement with DIC Corporation, Japan with effect from 1st July 2011. This Technical Collaboration Agreement does not relate to a specific project or product but transfer of technology 'on an ongoing basis' for all the existing and future range of printing inks and lamination adhesives. The scope of Agreement covers upgradation of existing products, manufacturing techniques, quality assurance, raw materials testing, training to Indian technicians and also use of DIC's trade names, brand names, marks and symbols.

D. Foreign Exchange Earnings and Outgo

Exports during the year stood at Rs. 500.72 million (from Rs. 505.05 million in 2014), registering a marginal decrease of 0.86%. Earnings in foreign exchange through exports and other earnings amounted to Rs. 509.8 million. Outgo of foreign exchange on import of raw materials, spare parts, capital goods, traded goods and also in respect of royalty, dividend and other matters amounted to Rs. 1763.79 million (Rs. 1985.64 million in 2014).

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.		<p>Your Company gives much importance to the society and environment along with its business activities. DIC understands that its activities have wider ramifications on the society as a whole and as such gives due consideration to all its stakeholders like shareholders, government, suppliers, employees, business patrons and its local communities.</p> <p>Your Company is be guided by Schedule VII of the Companies Act, 2013 in selecting its CSR activity and has decided to focus on promoting education, especially to children in rural /slum areas. Accordingly, it has executed MOU with Child Relief and You (CRY) to provide support in furtherance to its CSR activity. Brief outline of the Company's CSR objectives and its projects/ programmes are mentioned in the CSR section of the Board's report and Management Discussion & Analysis section of the annual report of the Company.</p> <p>The details are also provided in the CSR policy which is available on the website of the Company viz. http://www.dicindialtd.co/corp-gov-csr.html.</p>					
2	Composition of the CSR Committee		Mr Utpal Sengupta-Chairman, Independent Director Mr Subir Bose- Independent Director Mr Yasuo Ikeda-Executive Director Mr Paul Koek-Non-Executive Director					
3	Average net Profit for last 3 financial years		Rs 101.95 million					
4	Prescribed CSR expenditure (two percent of the amount as in item 3 above)		Rs 2.04 million					
5	Details of CSR spent during the financial year							
a)	Total amount to be spent for the financial year;		Rs 2.04 million					
b)	Amount unspent, if any;		Rs 2.04 million					
c)			Manner in which the amount spent during the financial year is detailed below :					
S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs		Amount Outlay (budget)* project or programs wise	Amount spent on the project or programs	Cumulative expenditure upto the reporting period	Amount spent: direct or through Implementing agency
			Area	District				
1	Improve quality of education	Promoting education {Schedule VII (ii)}	Monteswar Block in	Burdwan District, West Bengal	Rs 2.04 million	Nil	Nil	Implementing Agency Child Relief & You(CRY)
			State: Delhi At	North East District of Delhi				

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6	In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report	During the year ended 31st December 2014, the Company had incurred a loss of Rs. 392.24 million. Accordingly, till the financial position of the Company was stabilised, no expenditure was made on CSR activities in the year ended 31st December 2015. During the year ended 31st December 2015, the Company has made a profit after tax of Rs.402.97 million which gave the Company a corpus of Rs 2.85 million for its CSR activities of FY2016. Accordingly, your Company has already executed MOU with Child Relief & You (CRY) for improving quality of education in the areas as set out above. The CSR activities are scalable which coupled with new initiatives that may be considered in future. Moving forward, the Company will endeavour to spend on CSR activities in accordance with the prescribed limits
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The CSR Committee confirms that the implementation and monitoring of the CSR policy will be in compliance with the CSR objectives and policy of the Company.

Place: Kolkata
Date: 5th February 2016

Mr Shailendra Hari Singh
Managing Director & CEO

Mr Utpal Sengupta
Chairman, CSR Committee

ANNEXURE - B

**Disclosure under Section 197 (12) read with Rule 5 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

(i) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

Sl. No	Name of Director / KMP and designation	Remuneration during the financial year 2015 (Rs in million)	% increase in remuneration in the financial year 2015 (Rs in million)	Ratio of remuneration of each director to median remuneration of employees
1	Dr P K Dutt, Chairman	0.99	#	1.1
2	Mr Shailendra Hari Singh, Managing Director & CEO	8.82	NA@	13
3	Mr Yasuo Ikeda, COO	11.29	73.16	11
4	Mr D Banerjee, Independent Director	0.45	#	0.5
5	Mr S Bose Independent Director	0.42	#	0.5
6	Mr U Sengupta Independent Director	0.42	#	0.5
7	Mr B N Ghosh Independent Director	0.41	#	0.5
8	Dr R Sen Independent Director	0.27	NA@	0.31
9	Mr K Sakai, Non-executive Director	Nil	NA	NA
10	Mr N Furuta Non-executive Director	Nil	NA	NA
11	Mr P Koek Non-executive Director	Nil	NA	NA
12	Mr S Chatterjee, Chief Finance Officer	6.33	4%	7
13	Mr B DeSarkar, Company Secretary	1.56	18%	1.8

@ Part of the year

Not comparable as the Directors had foregone their commission in the previous year, hence no increase in remuneration

ii Percentage increase in the median remuneration of employees in the financial year

The percentage increase in the median remuneration of all management employees in the financial year 2015 was 8.46%.

The pay structure and increment of the graded staff/workers are on the basis of Union Agreement which is valid for a period of 4 years till Dec. 2015.

iii Number of permanent employees on the rolls of company

The Company had 476 permanent employees on its rolls as on 31st December 2015

i v Explanation on the relationship between average increase in remuneration and company performance

During the year ended 31st December 2014, the Company recorded almost the same sales i.e. Rs 7186.96 million against Rs 7086.64 million during the previous year. However, the overall profitability was in red &

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company made a loss of Rs 308.9 million. Considering the overall financial performance of the Company, the management decided to give a salary hike of 8.46% which was a little better from the current inflation of 7% to keep the motivation and morale high for the next year business performance.

v **Comparison of the remuneration of the Key Managerial Personnel against the performance of the company**

Considering the overall performance of the business in 2014, the key management personnel also got almost 7% increase equivalent to the inflation.

v i **Variations in the market capitalisation of the Company and price-earning ratio of the company as at the closing date of the current financial year and previous financial year**

Particulars	31st December 2015	31st December 2014	%change
Closing price (BSE) in Rs	685.75	378.05	81.39
Market capitalization (Rs in million)	6294.48	3470.11	89.31%
Price earning ratio	21.18	(11.24)	-288.43

vii **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**

Particulars	31st December 2015	Last	%change
Market price (Rs.)	685.75	225.00*	204.77%

* The Company came out with a Rights Issue in 2007 at Rs 225/- per share of Rs 10.00 each, which included a premium of Rs 215.00 per share

viii **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year**

Average percentile increase, other than managerial personnel, was 8.46%

i x **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**

Considering the overall performance of the business in 2014, the key management personnel also got almost 7% increase equivalent to the inflation.

x **Comparison of each remuneration of the Key Managerial Personnel against the performance of the company**

Considering the overall performance of the business in 2014, the key management personnel also got almost 7% increase equivalent to the inflation.

x i **The key parameters for any variable component of remuneration availed by the directors**

The key parameters for the variable components i.e. Performance bonus payable to the Executive Directors is determined on the basis of the status of inventory and debtors, profitability and overall financial position of the Company. The same is considered by the Nomination & Remuneration Committee and thereafter recommended to the Board for their consideration.

The Commission to the Independent Directors is dependent on the profitability of the Company.

xii **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**

No such case is applicable

xiii **Affirmation that the remuneration is as per the remuneration policy of the company**

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

FORM NO. MGT 9**EXTRACT OF ANNUAL RETURN**

as on financial year ended 31.12.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.**I REGISTRATION & OTHER DETAILS:**

i	CIN	L24223WB1947PLC015202
ii	Registration Date	2nd April 1947
iii	Name of the Company	DIC INDIA LIMITED
iv	Category/Sub-category of the Company	Indian Non-Government Company
v	Address of the Registered office & contact details	Transport Depot Road, Kolkata - 700088, West Bengal, Tel: 033 24496591-95, Fax: 033 24495267
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	CB Management Services (P) Ltd, P-19 Bondel Road, Kolkata - 700019, Tel 033 40116700, Fax-033 22870263, email - rta@cbmsl.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Printing Inks	20223	93.50%
2			
3			
4			

* As per National Industrial Classification, 2008 Ministry of Statistics and Programme Implementation (Government of India).

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	DIC Asia Pacific Pte Ltd, 78 Shenton Way, #19-01 Singapore 079120	N.A.	Holding	71.75%	2(87)
2	N/A				
3	N/A				

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IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to 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	-	-	-	-	-	-	-	-	-
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	-	-	-	-	-	-	-	-	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	6586077	-	6586077	71.75%	6586077	-	6586077	71.75%	0.00
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)									
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	6586077	-	6586077	71.75%	6586077	-	6586077	71.75%	0.00
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	9	-	9	0.00%	-	-	-	-	100.00
b) Banks/FI	9331	100	9431	0.10%	4114	100	4214	0.05%	55.32
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	240	240	0.00%	-	240	240	0.00%	0.00
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	50	50	0.00%	-	50	50	0.00%	0.00
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									
SUB TOTAL (B)(1):	9340	390	9730	0.11%	4114	390	4504	0.05%	53.71
(2) Non Institutions									
a) Bodies corporates	399032	6237	405269	4.42%	364425	6237	370662	4.04%	8.54
i) Indian									
ii) Overseas									

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	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1148506	176203	1324709	14.43%	1235934	171315	1407249	17.09%	-18.39
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	804096	-	804096	8.76%	768189	-	768189	6.61%	24.49
c) Others (specify)									
NRI/ OCB	20397	3994	24391	0.27%	27732	2172	29904	0.33%	-22.60
Trust	102	-	102	0.00%	200	-	200	0.00%	-96.08
Clearing Member	24603	-	24603	0.27%	12192	-	12192	0.13%	50.45
SUB TOTAL (B)(2):	2396736	186434	2583170	28.14%	2408672	179724	2588396	28.20%	-0.20
Total Public Shareholding (B)= (B)(1)+(B)(2)	2406076	186824	2592900	28.25%	2412786	180114	2592900	28.25%	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	8992153	186824	9178977	100%	8998863	180114	9178977	100%	0.00

(ii) Share holding of promoters

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	DIC Asia Pacific Pte Ltd	6586077	71.75%	0	6586077	71.75%	0	NIL
	Total	6586077	71.75%		6586077	71.75%		

(iii) Change in Promoters' Shareholding (Specify if there is no change)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding 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	6586077	71.75%	6586077	71.75%
	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)	There is no change in the promoter shareholding between 1st January 2015 and 31st December 2015.			
	At the end of the year	6586077	71.75%	6586077	71.75%

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

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Hitesh Ramji Jhaveri	250000	2.72%	250000	2.72%
	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)	Nil	Nil	Nil	Nil
	At the end of the year (or on the date of separation, if separated during the year)			250000	2.72%
2	Harsha Hitesh Jhaveri	208000	2.27%	208000	2.27%
	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)	Nil	Nil	Nil	Nil
	At the end of the year (or on the date of separation, if separated during the year)			208000	2.27%
3	Globe Capital Market Ltd	102114	1.11%	102114	1.11%
	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)				
	16.01.2015	-914	-0.01%	101200	1.10%
	23.01.2015	-3317	-0.04%	97883	1.07%
	30.01.2015	9	0.00%	97892	1.07%
	10.04.2015	-5965	-0.06%	91927	1.00%
	24.04.2015	-9000	-0.10%	82927	0.90%
	15.05.2015	-2054	-0.02%	80873	0.88%
	22.05.2015	-5039	-0.05%	75834	0.83%
	07.08.2015	-2000	-0.02%	73834	0.80%
	28.08.2015	712	0.01%	74546	0.81%
	11.09.2015	676	0.01%	75222	0.82%
	18.09.2015	981	0.01%	76203	0.83%
	30.09.2015	4347	0.05%	80550	0.88%
	02.10.2015	-2347	-0.03%	78203	0.85%
	11.12.2015	-2500	-0.03%	75703	0.82%
	At the end of the year (or on the date of separation, if separated during the year)			75703	0.82%
4	Tara Chand Jain	80311	0.87%	80311	0.87%
	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)	Nil	Nil	Nil	Nil
	06.03.2015	-40000	-0.44%	40311	0.44%
	10.04.2015	-8500	-0.09%	31811	0.35%
	22.05.2015	-2000	-0.02%	29811	0.32%
	07.08.2015	-3804	-0.04%	26007	0.28%
	14.08.2015	-1000	-0.01%	25007	0.27%
	31.12.2015	-15000	-0.16%	10007	0.11%
	At the end of the year (or on the date of separation, if separated during the year)			10007	0.11%

Sl. No	For Each of the Top 10 Shareholders	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
5	Chetan Gopaldas Cholera	40000	0.44%	40000	0.44%
	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)	Nil	Nil	Nil	Nil
	At the end of the year (or on the date of separation, if separated during the year)			40000	0.44%
6	Ashok J Thawani	29782	0.32%	29782	0.32%
	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)	Nil	Nil	Nil	Nil
	13.03.2015	-27722	-0.30%	2060	0.02%
	16.03.2015	4989	0.06%	7049	0.08%
	20.03.2015	7732	0.08%	14781	0.16%
	27.03.2015	8663	0.09%	23444	0.26%
	10.04.2015	110	0.00%	23554	0.26%
	At the end of the year (or on the date of separation, if separated during the year)			23554	0.26%
7	Anju Bang	26925	0.29%	26925	0.29%
	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)	Nil	Nil	Nil	Nil
	20.03.2015	-3195	-0.03%	23730	0.26%
	27.03.2015	-23730	-0.26%	0	0.00%
	At the end of the year (or on the date of separation, if separated during the year)			0	0.00%
8	Shyam Sundar Karwa	26500	0.29%	26500	0.29%
	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)	Nil	Nil	Nil	Nil
	23.01.2015	1980	0.02%	28480	0.31%
	27.03.2015	20	0.00%	28500	0.31%
	08.05.2015	-10000	0.11%	18500	0.20%
	12.06.2015	-18500	0.20%	0	0.00%
	At the end of the year (or on the date of separation, if separated during the year)			0	0.00%
9	Lincoln P Coelho	21932	0.24%	21932	0.24%
	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)	Nil	Nil	Nil	Nil
	At the end of the year (or on the date of separation, if separated during the year)			21932	0.00%

DIC INDIA LIMITED

Sl. No	For Each of the Top 10 Shareholders	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
10	ZKL Bearings India (P) Ltd	20666	0.23%	20666	0.23%
	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)	Nil	Nil	Nil	Nil
	06.02.2015	-150	0.00%	20516	0.22%
	06.03.2015	-1000	0.01%	19516	0.21%
	13.03.2015	-2000	0.02%	17516	
	24.04.2015	-2000	0.02%	15516	
	31.07.2015	-1421	0.02%	14095	
	07.08.2015	-7095	0.07%	7000	
	16.10.2015	-5100	0.06%	1900	
	At the end of the year (or on the date of separation, if separated during the year)			1900	0.02%
11	Kanishka Jain	8682	0.09%	8682	0.09%
	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)	Nil	Nil	Nil	Nil
	06.03.2015	40000	0.44%	48682	0.53%
	31.12.2015	15000	0.16%	63682	0.69%
	At the end of the year (or on the date of separation, if separated during the year)			63682	0.69%
12	Chetna Jain	20486	0.22%	20486	0.22%
	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)	Nil	Nil	Nil	Nil
	10.04.2015	2094	0.02%	22580	0.24%
	17.04.2015	1906	0.02%	24486	0.27%
	15.05.2015	-2000	-0.02%	22486	0.24%
	22.05.2015	-1000	-0.01%	21486	0.23%
	24.07.2015	-21486	-0.23%	19000	0.21%
	31.07.2015	-4309	-0.05%	14691	0.16%
	07.08.2015	-3191	-0.03%	11500	0.13%
	25.09.2015	-1548	-0.02%	9952	0.11%
	18.12.2015	-483	-0.01%	9469	0.10%
	At the end of the year (or on the date of separation, if separated during the year)			9469	0.10%
13	ITI Finance Services Ltd	0	0.00%	0	0.00%
	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)	Nil	Nil	Nil	Nil
	13.02.2015	1703	0.02%	1703	0.02%
	20.02.2015	2751	0.03%	4454	0.05%
	06.03.2015	117	0.00%	4571	0.05%
	27.03.2015	17691	0.19%	22262	0.24%
	08.05.2015	-22237	0.24%	25	0.00%
	15.05.2015	-25	0.00%	0	0.00%
	At the end of the year (or on the date of separation, if separated during the year)			0	0.00%

Sl. No	For Each of the Top 10 Shareholders	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
14	Bang Equity Broking (P) Ltd	0	0.00%	0	0.00%
	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)	Nil	Nil	Nil	Nil
	27.03.2015	23730	0.26%	23730	0.26%
	17.04.2015	-3386	0.04%	20344	0.22%
	15.05.2015	506	0.01%	20850	0.23%
	05.06.2015	-20850	0.23%	0	0.00%
	At the end of the year (or on the date of separation, if separated during the year)			0	0.00%
15	Pragya Equities (P) Ltd	2034	0.02%	2034	0.02%
	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)	Nil	Nil	Nil	Nil
	06.02.2015	-466	0.02%	2034	0.02%
	24.04.2015	24900	0.27%	26468	0.29%
	01.05.2015	50	0.00%	26518	0.29%
	08.05.2015	354	0.00%	26872	0.29%
	05.06.2015	15000	0.16%	41872	0.46%
	12.06.2015	7000	0.08%	48872	0.53%
	At the end of the year (or on the date of separation, if separated during the year)			48872	0.53%
16	PressB Services Ltd	18775	0.20%	18775	0.20%
	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)	Nil	Nil	Nil	Nil
	27.03.2015	-8775	0.09%	10000	0.11%
	26.06.2015	15159	0.17%	25159	0.27%
	07.08.2015	1819	0.02%	26978	0.29%
	At the end of the year (or on the date of separation, if separated during the year)			26978	0.29%
17	Bhuvaneshwari Arun	0	0.00%	0	0.00%
	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)	Nil	Nil	Nil	Nil
	14.08.2015	33500	0.36%	33500	0.36%
	21.08.2015	-33500	-0.36%	0	0.00%
	At the end of the year (or on the date of separation, if separated during the year)			0	0.00%

DIC INDIA LIMITED

Sl. No	For Each of the Top 10 Shareholders	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
18	Rashi Fincorp (P) Ltd	0	0.00%	0	0.00%
	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)	Nil	Nil	Nil	Nil
	21.08.2015	39500	0.43%	39500	0.43%
	04.09.2015	-2500	-0.03%	37000	0.40%
	25.09.2015	-19750	-0.22%	17250	0.19%
	30.09.2015	-9750	0.10%	7500	0.08%
	At the end of the year (or on the date of separation, if separated during the year)			7500	0.08%
19	Ashok Kumar Lodha	0	0.00%	0	0.00%
	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)	Nil	Nil	Nil	Nil
	21.08.2015	24000	0.26%	24000	0.26%
	28.08.2015	2000	0.02%	26000	0.28%
	09.10.2015	-3000	-0.03%	23000	0.25%
	16.10.2015	-5000	-0.05%	18000	0.20%
	04.12.2015	2000	0.02%	20000	
	At the end of the year (or on the date of separation, if separated during the year)			20000	0.22%
20	REPL Securities (P) Ltd	0	0.00%	0	0.00%
	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)	Nil	Nil	Nil	Nil
	28.08.2015	39500	0.43%	39500	0.43%
	04.09.2015	-39500	-0.43%	0	0.00%
	At the end of the year (or on the date of separation, if separated during the year)			0	0.00%

(v) Shareholding of Directors & Key Managerial Personnel

Sl. No	Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Dr Prabir Kumar Dutt	133	0.14%	133	0.14%
	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)	No movement during the financial year from 1st January 2015 to 31st December 2015			
	At the end of the year	133	0.14%	133	0.14%
	Key Managerial Personnel	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Sandip Chatterjee	1	0.00%	1	0.00%
	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)	No movement during the financial year from 1st January 2015 to 31st December 2015			
	At the end of the year	1	0.00%	1	0.00%
2	Banibrata DeSarkar	1	0.00%	1	0.00%
	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)	No movement during the financial year from 1st January 2015 to 31st December 2015			
	At the end of the year	1	0.00%	1	0.00%
3	Timir Baran Chatterjee*	2	0.00%	2	0.00%
	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)	No movement during the financial year from 1st January 2015 to 31st December 2015			
	At the end of the year	2	0.00%	2	0.00%

* - ceased to be a Key Managerial Personnel from 4th February 2015.

No other Director of the Company holds shares in the Company

V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	127,026,768	224,756,626	-	351,783,394
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	127,026,768	224,756,626	-	351,783,394
Change in Indebtedness during the financial year				
Additions			-	-
Reduction	126,420,200	200,537,213	-	326,957,413
Net Change	126,420,200	200,537,213	-	326,957,413
Indebtedness at the end of the financial year				
i) Principal Amount	626,568	24,219,413	-	24,826,981
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	626,568	24,219,413	-	24,826,981

DIC INDIA LIMITED

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
		Mr Shailendra Hari Singh	Mr. Yasuo Ikeda	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	1,869,231	2,247,000	4,116,230
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	1,598,745	2,770,605	4,369,350
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit			-
	others (specify)			-
5	Others, please specify	-	-	-
	Performance Bonus	2,881,731	3,250,000	6,131,731
	Management Allowance	1,742,310	2,436,000	4,178,310
	Provident Fund	224,308	269,640	493,948
	Gratuity	78,986	92,963	171,949
	Leave Encashment	140,320	220,560	360,880
	Super Annuation Fund	280,385	220,560	360,880
	Total (A)	280,385	-	280,385
	Ceiling as per the Act	8,816,015	11,286,768	20,102,783

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors					Total Amount
		Mr D Banerjee	Mr U Sengupta	Mr S Bose	Mrs R Sen	Mr B N Ghosh	
1	Independent Directors						
	(a) Fee for attending board committee meetings	283,000	250,000	250,000	105,000	235,000	1,123,000
	(b) Commission	180,000	180,000	180,000	163,000	180,000	883,000
	(c) Others, please specify Director Remuneration	-	-	-	-	-	-
	Total (1)						
2	Other Non Executive Directors	Dr P K Dutt	Mr K Sakai	Mr N Furuta	Mr P Koek		
	(a) Fee for attending board committee meetings	141,000	-	-	-		
	(b) Commission	850,000	-	-	-		
	(c) Others, please specify Director Remuneration						
	Total (2)						
	Total (B)=(1+2)						
	Total Managerial Remuneration						
	Overall Ceiling as per the Act.						

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Chief Finance Officer Mr Sandip Chatterjee	Company Secretary Mr Banibrata Desarkar	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	4,164,347	927,328	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	856,457	384,345	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit			
	others, specify			
5	Others, please specify	1,308,155	244,262	-
	Total	6,328,958	1,555,935	-

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

Secretarial Audit Report

FORM MR-3

(For the period 01-01-2015 to 31-12-2015)

[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 of
DIC India Ltd.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DIC India Ltd. (hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period ended on **31st December, 2015**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period ended on 31st December, 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. Secretarial Standards as prescribed by Institute of Company Secretaries of India.
 - VI. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
 - 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
 - g. The Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015.

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above subject to the following observation:

During the period under the review, the Company appointed Mr. Shailendra Hari Singh as Managing Director and Chief Executive Officer of the Company, since he is not resident in India, such appointment requires approval of Central Government. The Company has made necessary application to the Central Government SRN- C50672708 dated 22.04.2015 which is pending for approval.

2. We further report that:

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - b. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - c. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
 - d. The Company has obtained all necessary approvals under the various provisions of the Act.
 - e. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement, Rules, Regulations and Guidelines framed under these Acts against/ on the Company, its Directors and Officers.
 - f. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
3. We further report that based on the information received and records maintained 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.

For T. Chatterjee & Associates

Tarun Chatterjee

Membership No: 17195

COP No. : 6935

Place: Kolkata

Date: 3rd February 2016

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

DIC INDIA LIMITED

'Annexure A'

To,
The Members of
DIC India Ltd.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company.
Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For T. Chatterjee & Associates

CS. Tarun Chatterjee
Membership No.: 17195
Certificate of Practice No: 6935

Date: 3rd February 2016
Place: Kolkata

Independent Auditors' Report

To the Members of DIC India Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of **DIC India Limited** (“the Company”), which comprise the Balance Sheet as at December 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

Auditors' 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 and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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 auditors' 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 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 December 31, 2015, and its profit and its cash flows for the year ended on that date.

DIC INDIA LIMITED

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 (hereinafter referred to as 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.
10. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the back-up of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors as on December 31, 2015 taken on record by the Board of Directors, none of the Directors are disqualified as on December 31, 2015 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our comment in Paragraph 10 (b) above that the back up of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India.
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at December 31, 2015 on its financial position in its financial statements - Refer Note 26(b) to the financial statements;
 - ii. There were no material foreseeable losses, on the Company's long-term contracts including derivative contracts, as at December 31, 2015.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended December 31, 2015.

Kolkata
February 5, 2016

For **Lovelock & Lewes**
Firm Registration Number 301056E
Chartered Accountants
Pinaki Chowdhury
Partner
Membership Number 57572

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of DIC India Limited on the financial statements as of and for the year ended December 31, 2015

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of 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. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- ii. (a) The inventory (excluding stocks with third parties) has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, 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) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. 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. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been specified 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, the Company is generally regular in depositing undisputed statutory dues in respect of income tax and sales tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth-tax and cess, as applicable, which have not been deposited on account of any

DIC INDIA LIMITED

dispute. The particulars of dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax as at December 31, 2015 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Million)	Period to which the amount relates	Forum where the dispute is pending
Income-tax Act 1961	Income Tax	9.94	2009-10 and 2010-11	Commissioner of Income Tax (Appeals)
Central Sales Tax Act, 1956	Central Sales Tax	7.03	2005-06 and 2010-11	Appellate and Revisional Board Additional Commissioner of Sales Tax Deputy Commissioner
		0.68	2012-13	
		0.05	2003-04	
West Bengal Value Added Tax Act, 2003	Value Added Tax	3.03	2005-06	Appellate and Revisional Board Additional Commissioner of Sales Tax
		6.78	2012-13	
Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	1.30	2008-09 and 2009-10	Commercial Taxes Tribunal Additional Commissioner, Grade 2 (Appeals)
		1.14	2011-12, 2012-13 and 2013-14	
Delhi Value Added Tax Act, 2004	Value Added Tax	3.00	2009-10	Appellate Tribunal
Central Excise Act, 1944	Excise Duty	18.86	1994-95 to 1996-97, 2000-01 to 2005-06	Customs, Excise & Service Tax Appellate Tribunal Commissioner (Appeals)
		14.33	1993-94, 1994-95, 1997-98, 2005-06 to 2010-11	
Finance Act, 1994	Service Tax	4.17	2004-05 to 2007-08	Customs, Excise & Service Tax Appellate Tribunal Appeal being filed with Customs, Excise & Service Tax Appellate Tribunal Commissioner (Appeals)
		3.30	2008-09 to 2012-13	
		34.62	2001-02 to 2011-12	
Customs Act, 1962	Customs Duty	3.43	1999-2000	Hon'ble High Court at Calcutta Customs, Excise & Service Tax Appellate Tribunal
		25.01	2005-06, 2009-10 to 2010-11	

- 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, 1956 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. The Company had incurred cash losses in the immediately preceding financial year.
- ix. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders, as applicable, as at the balance sheet date.
- x. In our opinion, and 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 during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company.

- x. In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they 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.

Kolkata
February 5, 2016

For **Lovelock & Lewes**
Firm Registration Number 301056E
Chartered Accountants
Pinaki Chowdhury
Partner
Membership Number 57572

Balance Sheet

As at 31st December 2015

(Rs. in Million)

	Note	As at 31st December 2015		As at 31st December 2014	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	1	91.79		91.79	
Reserves and Surplus	2	<u>2,745.30</u>	2,837.09	<u>2,513.07</u>	2,604.86
Non-current Liabilities					
Deferred Tax Liabilities (Net)	3	—		25.28	
Long-term Provisions	4	<u>29.00</u>	29.00	<u>17.30</u>	42.58
Current Liabilities					
Short-term Borrowings	5	24.83		351.79	
Trade Payables	6				
Total outstanding dues of Micro Enterprises and Small Enterprises		38.93		32.62	
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		780.41		1,039.28	
Other Current Liabilities	7	326.78		271.85	
Short-term Provisions	8	<u>46.31</u>	1,217.26	<u>5.05</u>	1,700.59
TOTAL			<u>4,083.35</u>		<u>4,348.03</u>
ASSETS					
Non-current Assets					
Fixed Assets					
Tangible Assets	9.1	697.80		844.29	
Intangible Assets	9.2	9.38		23.40	
Capital Work-in-progress		<u>23.90</u>	731.08	<u>22.38</u>	890.07
Non-current Investments	10	—		—	
Deferred Tax Assets (Net)	11	19.54		—	
Long-term Loans and Advances	12		39.01		39.58
Current Assets					
Inventories	13	1,014.35		1,119.85	
Trade Receivables	14	2,059.72		2,008.62	
Cash and Bank Balances	15	7.10		4.52	
Short-term Loans and Advances	16	208.07		278.03	
Other Current Assets	17	<u>4.48</u>	3,293.72	<u>7.36</u>	3,418.38
TOTAL			<u>4,083.35</u>		<u>4,348.03</u>

The accompanying notes are an integral part of these Financial Statements.

This is the Balance Sheet referred to in our Report of even date.

On behalf of the Board

For Lovelock and Lewes
Firm Registration Number - 301056E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number: 57572
Kolkata, 5th February 2016

Shailendra Hari Singh
Managing Director & CEO

Utpal Sengupta
Director

Sandip Chatterjee
Chief Finance Officer

B. DeSarkar
Company Secretary

Kolkata, 5th February 2016

Statement of Profit & Loss

For the year ended 31st December 2015

(Rs. in Million)

	Note	Year ended 31st December 2015	Year ended 31st December 2014
REVENUE			
Revenue from Sale of Products (Gross)		8,319.80	8,024.46
Less: Excise Duty		859.18	837.50
		7,460.62	7,186.96
Other Operating Revenues	18	34.77	35.03
Revenue from Operations (Net)		7,495.39	7,221.99
Other Income	19	49.43	24.28
TOTAL REVENUE		7,544.82	7,246.27
EXPENSES			
Cost of Materials Consumed	20	4,936.47	5,286.77
Purchases of Stock-in-Trade		316.32	316.81
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	11.34	(7.77)
Employee Benefits Expense	22	490.12	490.73
Finance Costs	23	48.81	62.91
Depreciation and Amortisation Expense	24	173.92	126.51
Other Expenses	25	1,164.87	1,151.31
TOTAL EXPENSES		7,141.85	7,427.27
Profit/ (Loss) before Exceptional Item and Tax		402.97	(181.00)
Exceptional Item - Loss (Note 45)		—	211.24
Profit/ (Loss) before Tax		402.97	(392.24)
Tax Expense			
Current Tax- For the Year (Note 29)		140.00	—
Current Tax- Write Back relating to Earlier Years		—	(21.70)
Deferred Tax - Credit		(34.15)	(61.64)
Profit/(Loss) for the Year		297.12	(308.90)
Earnings/(Loss) Per Equity Share [Nominal Value per Share Rs. 10.00 (2014: Rs. 10.00) (Note 44)]			
- Basic and Diluted (Rs.)		32.37	(33.65)

The accompanying notes are an integral part of these Financial Statements.

This is the Statement of Profit & Loss referred to in our Report of even date.

On behalf of the Board

For Lovelock and Lewes
Firm Registration Number - 301056E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number: 57572
Kolkata, 5th February 2016

Shailendra Hari Singh
Managing Director & CEO

Utpal Sengupta
Director

Sandip Chatterjee
Chief Finance Officer

B. DeSarkar
Company Secretary

Kolkata, 5th February 2016

Notes to the Financial Statements

	As at 31st December 2015 (No. of Shares)	As at 31st December 2015 (Rs. in Million)	As at 31st December 2014 (No. of Shares)	As at 31st December 2014 (Rs. in Million)
Note 1				
SHARE CAPITAL				
Authorised				
Equity Shares of Rs.10.00 each	15,000,000	150.00	15,000,000	150.00
Issued, Subscribed and Paid up				
Equity Shares of Rs 10.00 each fully paid	9,178,977	91.79	9,178,977	91.79
	<u>9,178,977</u>	<u>91.79</u>	<u>9,178,977</u>	<u>91.79</u>

(a) Rights, preferences and restrictions attached to Equity Shares:

The Company has one class of Equity Shares having a par value of Rs.10.00 per Equity Share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

	As at 31st December 2015 (No. of Shares)	As at 31st December 2015 (% of holding)	As at 31st December 2014 (No. of Shares)	As at 31st December 2014 (% of holding)
(b) Shares held by the Holding Company				
DIC Asia Pacific Pte. Limited	6,586,077	71.75	6,586,077	71.75
(c) Shareholders holding more than 5% of the Shares in the Company				
DIC Asia Pacific Pte. Limited	6,586,077	71.75	6,586,077	71.75

(d) There were no shares issued pursuant to contracts without payment being received in cash, by way of bonus issue and no shares were bought back in the period of five years immediately preceding the date as at which the Balance Sheet is prepared.

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Million)

	As at 31st December 2015	As at 31st December 2014
Note 2		
RESERVES AND SURPLUS		
Capital Reserve		
At the beginning and at the end of the year	0.05	0.05
Securities Premium Account		
At the beginning and at the end of the year	654.81	654.81
General Reserve		
At the beginning of the year	654.40	654.40
Add: Transfer from Surplus in Statement of Profit and Loss	1.00	—
At the end of the year	655.40	654.40
Surplus in Statement of Profit and Loss		
At the beginning of the year	1,203.81	1,512.71
Less: Adjustment consequent upon revision in useful lives of certain tangible assets (Net of deferred tax impact) (Refer Note 46)	20.70	—
Add: Profit/(Loss) for the year	297.12	(308.90)
Amount available for Appropriation	1,480.23	1,203.81
Less: Appropriation:		
Transfer to General Reserve	1.00	—
Proposed Dividend on Equity Shares [Rs. 4.00 (2014: Rs. Nil) per share]	36.72	—
Dividend Distribution Tax on Proposed Dividend	7.47	—
At the end of the year	1,435.04	1,203.81
	2,745.30	2,513.07
Note 3		
DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
Depreciation	#	96.53
Deferred Tax Assets		
Employees' Separation Costs	#	57.36
Provision for Doubtful Debts	#	7.01
Expenses allowable for tax purpose on payment	#	6.88
Deferred Tax Liabilities (Net)	#	71.25
	#	25.28

Refer Note 11 for the current year figures.

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Million)

	As at 31st December 2015	As at 31st December 2014
Note 4		
LONG TERM PROVISIONS		
Provision for Employee Benefits	29.00	17.30
	<u>29.00</u>	<u>17.30</u>
Note 5		
SHORT TERM BORROWINGS		
Secured Loans		
Loans repayable on demand:		
From Banks*		
Cash Credit / Overdraft / Working Capital facilities	0.61	127.03
Unsecured Loans		
Loan repayable on demand:		
From a Bank		
Working Capital Demand Loan/ Overdraft	24.22	24.76
Commercial Paper [@]	—	200.00
	<u>24.83</u>	<u>351.79</u>
<p>* The Company's borrowings from the Consortium of Banks are secured by first pari pasu charge on Current Assets of the Company, both present and future.</p> <p>[@] Maximum amount outstanding at any time during the year was Rs. 200.00 Million (2014: Rs. 200.00 Million).</p>		
Note 6		
TRADE PAYABLES		
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 30)	38.93	32.62
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	780.41	1,039.28
	<u>819.34</u>	<u>1,071.90</u>
Note 7		
OTHER CURRENT LIABILITIES		
Unpaid Dividend	1.43	1.62
Other Payables		
Payable for purchase of Fixed Assets	0.04	0.13
Payable to Government Authorities	58.08	30.43
Advance from customers	3.03	4.09
Employee related Liabilities	49.43	32.40
Royalty liability to a Related Party	45.81	43.54
Security Deposits	37.86	33.39
Interest payable	23.88	13.39
Directors' Commission payable	1.73	—
Sales Commission and Discount Liabilities	105.49	112.86
	<u>326.78</u>	<u>271.85</u>
Note 8		
SHORT TERM PROVISIONS		
Provision for Employee Benefits	1.81	4.77
Others		
Provision for Mark-to-Market Losses on Derivatives	0.31	0.28
Proposed Dividend on Equity Shares	36.72	—
Dividend Distribution Tax on Proposed Dividend	7.47	—
	<u>46.31</u>	<u>5.05</u>

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Million)

Note 9.1

TANGIBLE ASSETS

Particulars	Gross Block				Depreciation/ Amortisation					Net Block	
	Cost as at 01.01.2015	Additions during the year	Disposals during the year	Cost as at 31.12.2015	As at 01.01.2015	For the year	Adjusted with Retained Earnings (Refer Note 46)	Disposals during the year	As at 31.12.2015	As at 31.12.2015	As at 31.12.2014
Land-Freehold	9.72	—	—	9.72	—	—	—	—	—	9.72	9.72
Land-Leasehold	17.47	—	—	17.47	5.55	0.45	—	—	6.00	11.47	11.92
Buildings	250.48	20.30	3.83	266.95	115.18	12.94	3.73	2.22	129.63	137.32	135.30
Plant and Equipments	1,441.33	29.57	38.78	1,432.12	769.55	138.53	25.86	28.61	905.33	526.79	671.78
Furniture and Fixtures	26.58	3.55	0.63	29.50	18.88	4.00	0.74	0.55	23.07	6.43	7.70
Vehicles	1.95	0.09	0.10	1.94	1.34	0.18	0.01	0.09	1.44	0.50	0.61
Office Equipments	7.75	—	0.17	7.58	5.84	0.47	0.85	0.16	7.00	0.58	1.91
Computers	48.78	3.26	11.32	40.72	43.43	3.33	0.18	11.21	35.73	4.99	5.35
Total	1,804.06	56.77	54.83	1,806.00	959.77	159.90	31.37	42.84	1,108.20	697.80	844.29
Previous Year	1,810.69	31.77	38.40	1,804.06	876.90	112.78	—	29.91	959.77	844.29	

Note 9.2

INTANGIBLE ASSETS

Particulars	Gross Block				Amortisation				Net Block	
	Cost as at 01.01.2015	Addition during the year	Disposals during the year	Cost as at 31.12.2015	As at 01.01.2015	For the year	Disposals during the year	As at 31.12.2015	As at 31.12.2015	As at 31.12.2014
Computer Software - Acquired	56.08	—	—	56.08	32.68	14.02	—	46.70	9.38	23.40
Total	56.08	—	—	56.08	32.68	14.02	—	46.70	9.38	23.40
Previous Year	54.52	1.56	—	56.08	18.95	13.73	—	32.68	23.40	

As at
31st December
2015

As at
31st December
2014

Note 10

NON CURRENT INVESTMENTS (At Cost)

Long-Term Investments - Unquoted

Other than Trade - Investment in Equity Instruments

Magnum Tower Co-operative Housing Society Ltd., 10 Equity shares of Rs. 50.00 each fully paid (Rs.500.00)*	—#	—#
Sheffield Towers Co-operative Housing Society Ltd., 5 Equity shares of Rs. 50.00 each fully paid (Rs.250.00)*	—#	—#
Mani Towers Flat Owners Association, 20 Equity shares of Rs 10.00 each fully paid (Rs.200.00)*	—#	—#
	—#	—#

Aggregate Amount of Unquoted Investments

—#

—#

* These investments relate to ownership flats included in fixed assets

Figures are below the rounding off norm adopted by the Company

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Million)

	As at 31st December 2015		As at 31st December 2014
Note 11			
DEFERRED TAX ASSETS (NET)			
Deferred Tax Assets			
Employees' Separation Costs	42.37	#	
Provision for Doubtful Debts	14.20	#	
Expenses allowable for tax purpose on payment	19.17	#	#
Deferred Tax Liabilities			
Depreciation @	56.20		#
Deferred Tax Assets (Net)	19.54		#
#	Refer Note 3 for previous year figures.		
@	After considering Rs. 10.67 Million (2014: Rs. Nil) being adjustment against Surplus in Statement of Profit and Loss pursuant to revision of estimated useful lives of certain tangible assets (Refer Note 46).		
Note 12			
LONG TERM LOANS AND ADVANCES			
Unsecured, Considered good			
Capital Advances	3.90		8.25
Security Deposits	33.48		29.51
Employee Loans*	1.63		1.82
	39.01		39.58
*	Includes amount due from an Officer of the Company Rs. Nil (2014: Rs. 0.08 Million).		
Note 13			
INVENTORIES (At lower of Cost and Net Realizable Value)			
Raw Materials (includes in transit Rs. 48.43 Million; 2014: Rs. 52.26 Million)	434.66		524.97
Work-in-Progress (includes in transit Rs. 3.92 Million; 2014: Rs. 8.86 Million)	127.29		129.18
Finished Goods (includes in transit Rs. 64.75 Million; 2014: Rs. 62.47 Million)	374.67		396.64
Stock-in-Trade (includes in transit Rs. 26.62 Million; 2014: Rs. 2.78 Million)	44.31		29.64
Stores and Spares	18.59		24.17
Containers (includes in transit Rs. 0.02 Million; 2014: Rs. Nil)	14.83		15.25
	1,014.35		1,119.85
Note 14			
TRADE RECEIVABLES			
Debts outstanding for a period exceeding six months from the date they are due for payment			
Secured-Considered Good	0.49		0.17
Unsecured-Considered Good	0.82		5.64
Unsecured-Considered Doubtful	27.35		11.24
	28.66		17.05
Less : Provision for Doubtful Debts	27.35	1.31	11.24
Other Debts			
Secured-Considered Good	31.82		27.21
Unsecured-Considered Good	2,026.59		1,975.60
Unsecured-Considered Doubtful	13.68		9.39
	2,072.09		2,012.20
Less : Provision for Doubtful Debts	13.68	2,058.41	9.39
	2,059.72		2,002.81
			2,008.62

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Million)

	As at 31st December 2015	As at 31st December 2014
Note 15		
CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Cash on hand	0.18	0.52
Balances with Banks in Current Accounts	5.37	2.27
	<u>5.55</u>	<u>2.79</u>
Other Bank Balances		
Fixed Deposit Accounts (original maturity of more than twelve months)	0.12	0.11
Balances with Banks in Unpaid Dividend Accounts	1.43	1.62
	<u>7.10</u>	<u>4.52</u>
Note 16		
SHORT TERM LOANS AND ADVANCES		
Unsecured, Considered good		
Loans and Advances to Related Parties [Note 41 (ii)]	39.06	11.30
Others		
Advances/Deposits with Government Authorities	100.72	145.30
Supplier Advances	37.87	46.45
Prepaid Expenses	8.20	9.03
Loans/Advances to Employees*	4.75	4.60
Advance Payment of Current Tax [Net of Provision Rs. 596.36 Million (2014: Rs. 606.45 Million)]	17.47	61.35
	<u>208.07</u>	<u>278.03</u>
* Includes amount due from an Officer of the Company Rs. Nil (2014: Rs. 0.11 Million).		
Note 17		
OTHER CURRENT ASSETS		
Unsecured, Considered Good		
Duty Drawback Receivable	2.30	3.83
Insurance Claim Receivable	1.74	2.93
Interest Receivable	0.44	0.60
	<u>4.48</u>	<u>7.36</u>

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Million)

	Year ended 31st December 2015		Year ended 31st December 2014
Note 18			
OTHER OPERATING REVENUES			
Sale of Containers	19.85		17.96
Commission Income	0.73		1.03
Duty Drawback	9.33		8.13
Insurance Claim	4.66		7.22
Bad Debts Recovered	0.20		0.69
	<u>34.77</u>		<u>35.03</u>
Note 19			
OTHER INCOME			
Interest Income on Loans and Deposits	0.68		0.78
Management Fees	8.35		1.09
Provision for Doubtful Debts written back	4.89		21.52
Liabilities no longer required written back	35.45		—
Miscellaneous Receipts	0.06		0.89
	<u>49.43</u>		<u>24.28</u>
Note 20			
COST OF MATERIALS CONSUMED			
Raw materials consumed			
Opening Inventory	524.97		496.21
Add : Purchases	4,515.86		4,992.70
Less : Closing Inventory	434.66		524.97
Cost of Raw Materials Consumed	<u>4,606.17</u>		<u>4,963.94</u>
Containers consumption			
Opening Inventory	15.25		25.63
Add : Purchases	329.88		312.45
Less : Closing Inventory	14.83		15.25
Cost of Containers Consumed	<u>330.30</u>		<u>322.83</u>
	<u>4,936.47</u>		<u>5,286.77</u>
Note 21			
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE			
Finished Goods			
Opening Inventory	396.64		372.25
Closing Inventory	374.67	21.97	396.64
			(24.39)
Work-in-Progress			
Opening Inventory	129.18		124.46
Closing Inventory	127.29	1.89	129.18
			(4.72)
Stock-in-Trade			
Opening Inventory	29.64		50.81
Closing Inventory	44.31	(14.67)	29.64
Excise Duties on Increase/ (Decrease) of Finished Goods	2.15		0.17
	<u>11.34</u>		<u>(7.77)</u>

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Million)

	Year ended 31st December 2015	Year ended 31st December 2014
Note 22		
EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	401.03	376.54
Contribution to Provident and Other Funds	41.48	63.48
Staff Welfare Expenses	47.61	50.71
	<u>490.12</u>	<u>490.73</u>
Note 23		
FINANCE COSTS		
Interest Expenses	48.11	62.21
Other Borrowing Costs	0.70	0.70
	<u>48.81</u>	<u>62.91</u>
Note 24		
DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible Assets (Note 46)	159.45	112.33
Amortisation on Leasehold Land	0.45	0.45
Amortisation on Intangible Assets	14.02	13.73
	<u>173.92</u>	<u>126.51</u>
Note 25		
OTHER EXPENSES		
Consumption of Stores and Spare Parts (Note 33)	84.67	85.91
Power and Fuel	151.79	152.68
Rent (Note 28)	32.91	27.91
Repairs to Buildings	9.57	4.88
Repairs to Machinery	43.65	30.30
Other Repairs	7.99	6.19
Insurance	19.63	18.28
Rates and Taxes, excluding taxes on Income	60.86	64.76
Selling Agents' Commission	82.01	90.31
Travelling Expenses	38.34	26.79
Despatching Expenses	259.81	278.72
Processing Charges	47.49	43.99
Royalty	101.31	97.72
Net Loss on Foreign Currency Transaction and Translation	9.11	5.48
Provision for Doubtful Debts	25.29	16.81
Bad Debts written off	8.93	36.88
Auditors' Remuneration (Note 34)	4.39	3.71
Loss on disposal of Tangible Fixed Assets	11.76	8.04
Miscellaneous Expenses	165.36	151.95
	<u>1,164.87</u>	<u>1,151.31</u>

NOTES TO THE FINANCIAL STATEMENTS

26. (a) Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) Rs. 5.72 Million (2014- Rs. 3.45 Million)

(b) Contingent Liabilities

Claims against the Company not acknowledged as debt :

- i) Income Tax matters Rs.46.40 Million (2014 - Rs. 26.38 Million) pending in appeals.
- ii) Disputed Indirect Tax matters for which appeals before the relevant authorities are pending disposal are as follows :
 - a) Custom Duty matters Rs.20.16 Million (2014 - Rs.0.16 Million)
 - b) Excise Duty matters Rs.45.22 Million (2014 - Rs.45.22 Million)
 - c) Service Tax matters Rs.42.09 Million (2014 - Rs.38.86 Million)
 - d) Sales Tax / VAT / Entry Tax matters Rs.18.66 Million (2014 - Rs.24.76 Million)
- iii) Rent under dispute Rs.3.72 Million (2014 - Rs.3.72 Million) pending in appeals.

In respect of above, it is not practicable for the Company to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above contingent liabilities.

27. Derivative Instruments and Unhedged Foreign Currency Exposure

- (a) Foreign currency exposures that have been hedged by a Derivative Instrument (Forward Contracts) as at year end are as under:

(in Million)

Currency	As at 31st December 2015			As at 31st December 2014		
	Sell	Buy	Net	Sell	Buy	Net
USD	0.52	0.50	0.02	—	0.80	(0.80)
EURO	—	0.05	(0.05)	—	0.30	(0.30)
JPY	—	42.00	(42.00)	—	8.90	(8.90)
GBP	—	0.02	(0.02)	—	0.05	(0.05)

- (b) Foreign currency exposures that have not been hedged by a Derivative Instrument as at year end are as under:

(in Million)

Currency	As at 31st December 2015			As at 31st December 2014		
	Sell	Buy	Net	Sell	Buy	Net
USD	0.60	1.72	(1.12)	1.62	3.00	(1.38)
EURO	0.23	0.26	(0.03)	0.11	0.47	(0.36)
JPY	2.50	53.91	(51.41)	7.53	73.55	(66.02)
GBP	—	—	—	—	0.05	(0.05)
AUD	—	—	—	0.01	—	0.01
SGD	—	0.03	(0.03)	—	—	—
CHF	*	—	*	—	—	—

* Figures are below the rounding off norm adopted by the Company

- (c) Mark-to-market losses provided for as at the year end Rs.0.31 Million (2014 - Rs. 0.28 Million)

28. Assets acquired under Operating Lease

- (a) The Company's significant leasing arrangements are in respect of Operating leases for premises (like residential property, office premises, godowns etc). These leasing arrangements, which are cancellable, range between 11 months to 4 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals in this regard amounting to Rs.29.65 Million (2014 - Rs.25.07 Million) are charged as Rent under Note 25.

NOTES TO THE FINANCIAL STATEMENTS

- (b) The Company acquired certain assets under Operating lease, which are non-cancellable for a period of 4 years with an option to renew the same for a further period at a minimum rent. Details of Lease payments outstanding as at 31st December 2015 are given below:

	Minimum lease payments due	
	2015 (Rs. in Million)	2014 (Rs. in Million)
Not later than one year	3.03	1.77
Later than one year and not later than five years	3.38	1.56
Lease Payment recognised in the Statement of Profit and Loss (Note 25)	3.26	2.84

29. Provision for Taxation

Provision for taxation made in these accounts is based on the results for the current financial period including the results for the period from 1st January 2015 to 31st March 2015 forming part of the assessment year 2015-2016. Ultimate liability for taxation for the assessment year 2016-2017 will be determined on the basis of the results for the last nine months of the current financial period together with that of subsequent three months upto 31st March 2016 as one composite income.

30. Disclosure pursuant to Section 22 of "The Micro, Small and Medium Enterprises Development Act, 2006" is as follows :

	2015 (Rs. in Million)	2014 (Rs. in Million)
(i) The Principal amount and Interest due thereon remaining unpaid to any supplier		
Principal	38.93	32.62
Interest	0.19	*
(ii) The amount of interest paid by the buyer in terms of Section 16 of The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed day during the year		
Principal	—	—
Interest	—	—
(iii) The amount of interest due and payable for principal paid during the year beyond the appointed day during the year but without adding interest specified under MSMED		
Principal	110.97	21.06
Interest	2.20	0.53
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year [including Rs.4.56 Million (2014 : Rs.4.03 Million) being interest outstanding as at the beginning of the accounting year]	6.95	4.56
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due on above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	2.39	0.53

Note :

The above particulars, as applicable, have been given in respect of Micro and Small Enterprises to the extent they could be identified on the basis of the information available with the Company.

* Amount is below the rounding off norm adopted by the Company.

NOTES TO THE FINANCIAL STATEMENTS

31. (a) Raw Materials Consumed

Class of Goods	2015 (Rs. in Million)	2014 (Rs. in Million)
Pigments	1,428.68	1,402.69
Resins	1,205.68	1,234.52
Oil	533.73	731.77
Solvents	971.21	1,048.91
Miscellaneous Chemicals	455.78	488.24
Rubber Blanket	11.09	57.81
TOTAL	4,606.17	4,963.94

(b) Details relating to Closing Stock of Raw Materials

Class of Goods	2015 (Rs. in Million)	2014 (Rs. in Million)
Pigments	155.72	162.30
Resins	167.95	178.04
Oil	12.86	13.15
Solvents	36.73	57.19
Miscellaneous Chemicals	61.39	110.47
Rubber Blanket	0.01	3.82
TOTAL	434.66	524.97

32. (i) Details relating to Opening Stock, Closing Stock and Turnover of Manufactured Items

(Rs. in Million)

	Opening Stock	Closing Stock	Sales
Printing Inks	348.20 (344.46)	338.69 (348.20)	7,353.39 (7,093.23)
Press Room Chemicals	0.26 (0.52)	* (0.26)	1.55 (3.09)
Rubber Blankets	0.49 (2.82)	0.69 (0.49)	22.64 (44.55)
Lamination Adhesive	47.69 (24.45)	35.29 (47.69)	569.04 (508.40)
TOTAL	396.64 (372.25)	374.67 (396.64)	7,946.62 (7,649.27)

* Amount is below the rounding off norm adopted by the Company

Figures within brackets relate to previous year.

(ii) Stock, Purchase and Sale of Goods traded in

(Rs. in Million)

Class of Goods	Opening Stock	Purchase	Sales	Closing Stock
Press Aid	9.30 (17.89)	20.20 (62.97)	34.29 (74.24)	0.78 (9.30)
Printing Inks	7.49 (19.98)	64.17 (54.59)	61.16 (60.00)	15.20 (7.49)
Chemicals	12.85 (12.94)	199.91 (146.43)	242.51 (182.55)	28.33 (12.85)
Others	— —	32.04 (52.82)	35.22 (58.40)	— —
TOTAL	29.64 (50.81)	316.32 (316.81)	373.18 (375.19)	44.31 (29.64)

Figures within brackets relate to previous year.

NOTES TO THE FINANCIAL STATEMENTS

	2015 (Rs. in Million)	2014 (Rs. in Million)
(iii) Details of Work-in-Progress		
Printing Inks	125.13	127.06
Lamination Adhesive	2.16	2.12
	<u>127.29</u>	<u>129.18</u>
33. Consumption of Stores and Spare Parts		
Consumption of Stores and Spare parts debited to various heads included in Note 25 are as follows:		
(i) Repairs to Machinery	5.20	4.10
(ii) Consumption of Stores and Spare Parts	84.67	85.91
(iii) Power and Fuel	43.28	44.86
	<u>133.15</u>	<u>134.87</u>
34. Aggregate amount paid/ payable to the Auditors		
As Auditor		
(i) Audit Fees	1.90	1.60
(ii) Tax Audit	1.10	0.90
(iii) Other Matters	1.28	1.08
(iv) Out of Pocket Expenses	0.10	0.13
(v) Service Tax and Education Cess (net of cenvat credit)	0.01	—
	<u>4.39</u>	<u>3.71</u>
35. CIF Value of Imports		
Raw Materials	1,475.70	1,552.73
Containers	1.03	3.67
Spare Parts	5.75	20.88
Capital Goods	12.43	0.42
Goods Traded-in	123.82	232.02
36. Expenditure in Foreign Currency on Account of		
Royalty	101.31	97.72
Others (includes bank charges, commission and travelling)	43.75	51.86
37. Details relating to Consumption		
	2015	2014
	Value (Rs. in Million)	Value (Rs. in Million)
	% of Total Consumption	% of Total Consumption
(i) Raw Material		
Imported	1,687.39	1,692.94
Indigenous	2,918.78	3,271.00
Total	<u>4,606.17</u>	<u>4,963.94</u>
(ii) Containers		
Imported	2.15	3.64
Indigenous	328.15	319.19
Total	<u>330.30</u>	<u>322.83</u>
(iii) Stores and Spare Parts		
Imported	8.88	12.01
Indigenous	124.27	122.86
Total	<u>133.15</u>	<u>134.87</u>

NOTES TO THE FINANCIAL STATEMENTS

	2015 (Rs. in Million)	2014 (Rs. in Million)
38. Amount remitted during the year in Foreign Currency on account of Dividend		
Amount Remitted - (INR)	—	26.34
USD Value Nil (2014- USD 0.44 Million)		
Year to which Dividend related	N.A.	2013
Number of Non-resident Shareholder(s)	N.A.	One
Number of shares held by Non-resident Shareholder(s) on which the dividends were due	N.A.	6,586,077

	2015 (Rs. in Million)	2014 (Rs. in Million)
39. Earnings in Foreign Exchange		
Export of goods on FOB basis	500.72	505.05
Management Fees	8.35	1.09
Commission	0.73	1.03

	2015 (Rs. in Million)	2014 (Rs. in Million)	2013 (Rs. in Million)
40. Expenditure on Research and Development			
(a) Under Section 35(2AB) of the Income Tax Act, 1961			
Revenue Expenditure includes on account of Research and Development	27.79	19.56	21.80
Capital Expenditure includes on account of Research and Development	4.22	1.02	17.43
(b) Under other Sections of the Income Tax Act, 1961			
Capital Expenditure includes on account of Research and Development	0.33	—	0.06
	32.34	20.58	39.29

41. Related Parties Disclosures (in accordance with Accounting Standard 18 specified under the Act)

(i) Related Parties

Names of Related Parties	Relationship
(A) Where control exists	
DIC Corporation, Japan	Ultimate Holding Company
DIC Asia Pacific Pte Ltd., Singapore	Holding Company
(B) Others with whom transactions have taken place during the year	
Benda-Lutz Werke GmbH	Fellow Subsidiary
Coates Screen Inks GmbH.	Fellow Subsidiary
DIC (Malaysia) Sdn. Bhd.	Fellow Subsidiary
DIC (Shanghai) Co., Ltd.	Fellow Subsidiary
DIC Alkylphenol Singapore Pte., Ltd.	Fellow Subsidiary
DIC Australia Pty Ltd	Fellow Subsidiary
DIC Compounds (Malaysia) Sdn. Bhd.	Fellow Subsidiary
DIC Europe GmbH	Fellow Subsidiary

NOTES TO THE FINANCIAL STATEMENTS

DIC Fine Chemicals Private Limited	Fellow Subsidiary
DIC Lanka (Private) Ltd.	Fellow Subsidiary
DIC New Zealand Ltd	Fellow Subsidiary
Hartmann Druckfarben GmbH	Fellow Subsidiary
Nantong DIC Color Co., Ltd.	Fellow Subsidiary
PT. DIC Graphics	Fellow Subsidiary
Siam Chemical Industry Co. Ltd.	Fellow Subsidiary
Sun Chemical AG	Fellow Subsidiary
Sun Chemical Group S.P.A.	Fellow Subsidiary
Sun Chemical N.V./S.A.	Fellow Subsidiary
Sun Chemical ZAO	Fellow Subsidiary
Sun Chemical (South Africa) (Pty.) Ltd.	Fellow Subsidiary
Sun Chemical Limited	Fellow Subsidiary
Tintas S.A.S	Fellow Subsidiary
Sun Chemical Corp.	Fellow Subsidiary
Sun Chemical Group Cooperatief U.A.	Fellow Subsidiary
DIC Graphics (Thailand) Co. Ltd.	Fellow Subsidiary
Sun Chemical (Chile) S.A.	Fellow Subsidiary
Sun Chemical Sp (z.o.o)	Fellow Subsidiary
DIC (Taiwan) Ltd.	Fellow Subsidiary
Sun Chemical Turkey	Fellow Subsidiary
Sun Chemical S.A.	Fellow Subsidiary
Mr. Yasuo Ikeda	Key Management Personnel
Mr. Samir Bhaumik (up to 26th April 2014)	Key Management Personnel
Mr. Shailendra Hari Singh (w.e.f. 23rd March 2015)	Key Management Personnel

NOTES TO THE FINANCIAL STATEMENTS

(ii) Disclosure of transactions with related parties during the year and outstanding balances

(Rs. in Million)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Key Management Personnel	Total
Transactions during the year					
Purchases of Goods	185.58 (88.98)	124.50 (127.02)	211.87 ⁽¹⁾ (231.13)	— (—)	521.95 (447.13)
Maintenance Charges / IT Cost incurred	— (—)	38.76 (32.97)	— (—)	— (—)	38.76 (32.97)
Royalty Expense	101.31 (97.72)	— (—)	— (—)	— (—)	101.31 (97.72)
Sale of Products	— (0.25)	— (—)	178.52 ⁽²⁾ (178.01)	— (—)	178.52 (178.26)
Sale of Fixed Assets	— (—)	— (—)	— (—)	— ⁽⁸⁾ (0.05)	— (0.05)
Commission Income	— (0.84)	0.18 (—)	0.55 ⁽³⁾ (0.19)	— (—)	0.73 (1.03)
Management Fee Income	7.01 (—)	1.34 (1.09)	— (—)	— (—)	8.35 (1.09)
Dividend Paid	— (—)	— (26.34)	— (—)	— (—)	— (26.34)
Remuneration	— (—)	— (—)	— (—)	20.10 ⁽⁹⁾ (12.31)	20.10 (12.31)
Reimbursement of Expenses	38.58 (9.60)	14.90 (14.71)	1.55 ⁽⁴⁾ (1.41)	— (—)	55.03 (25.72)
Advance Recovered	— (—)	— (—)	— (—)	— ⁽¹⁰⁾ (0.03)	— (0.03)
Outstanding as at the year end :					
Trade Payables	33.20 (23.31)	67.43 (122.54)	43.69 ⁽⁵⁾ (86.27)	— (—)	144.32 (232.12)
Employee Related Liabilities	— (—)	— (—)	— (—)	6.91 ⁽¹¹⁾ (—)	6.91 (—)
Royalty Liability	45.81 (43.54)	— (—)	— (—)	— (—)	45.81 (43.54)
Trade Receivables	— (—)	— (—)	41.11 ⁽⁶⁾ (53.98)	— (—)	41.11 (53.98)
Short-term Loans and Advances	24.62 (3.67)	13.82 (6.86)	0.62 ⁽⁷⁾ (0.77)	— (—)	39.06 (11.30)

Figures within brackets relate to previous year.

- (1) Purchases of Goods from Fellow Subsidiaries include purchases from DIC Fine Chemicals Private Limited Rs.93.61 Million (2014 - Rs.87.73 Million), DIC Compounds (Malaysia) Sdn. Bhd. Rs.29.71 Million (2014 - Rs.22.20 Million) and Sun Chemical Limited Rs.29.05 Million (2014 - Rs.28.76 Million).
- (2) Sale of Products to Fellow Subsidiaries include sales to DIC Australia Pty Ltd. Rs. 78.27 Million (2014- Rs.68.25 Million), Sun Chemicals ZAO Rs. 26.44 Million (2014 - Rs.46.88 Million), DIC Lanka (Private) Ltd. Rs. 18.48 Million (2014 - Rs.14.99 Million) and Tintas S.A.S Rs. 19.74 Million (2014 - Rs.23.87 Million).
- (3) Commission Income from Fellow Subsidiaries include income from Sun Chemical N.V./S.A. Rs.0.33 Million (2014 - Rs. 0.04 Million) and Hartmann Druckfarben GmbH Rs.0.22 Million (2014 - Rs. Nil)
- (4) Reimbursement of Expenses from Fellow Subsidiaries include reimbursement from Siam Chemical Industry Co.Ltd Rs.1.55 Million (2014 - Rs.1.41 Million)
- (5) Trade Payables to Fellow Subsidiaries include payable to DIC Fine Chemicals Private Limited Rs. 17.89 Million (2014 - Rs.51.35 Million), Nantong DIC Color Co., Ltd. Rs. 6.33 Million (2014 - Rs.3.81 Million) and DIC Compounds (Malaysia) Sdn. Bhd. Rs. 5.25 Million (2014 - Rs. 11.83 Million)
- (6) Trade Receivables from Fellow Subsidiaries include receivable from DIC Australia Pty Ltd. Rs. 33.52 Million (2014 - Rs.20.64 Million).
- (7) Short-term Loans and Advances to Fellow Subsidiaries include receivable from Sun Chemical N.V./S.A. Rs. 0.31 Million (2014 - Rs.0.55 Million) and Siam Chemical Industry Co. Ltd. Rs. 0.27 Million (2014 - Rs.0.22 Million).
- (8) Sale of Fixed Assets include sale to Mr. Samir Bhaumik Rs. Nil (2014 - Rs. 0.05 Million).
- (9) Managerial Remuneration includes remuneration to Mr. Shailendra Hari Singh Rs. 8.82 Million (2014 - Rs. Nil), Mr. Yasuo Ikeda Rs. 11.28 Million (2014 - Rs. 6.52 Million) and Mr. Samir Bhaumik Rs. Nil (2014 - Rs. 5.79 Million).
- (10) Advance recovered includes advance recovered from Mr. Samir Bhaumik Rs. Nil (2014 - Rs. 0.03 Million).
- (11) Employee Related Liabilities includes payable to Mr. Shailendra Hari Singh Rs. 3.28 Million (2014 - Rs. Nil) and Mr. Yasuo Ikeda Rs. 3.63 Million (2014 - Rs. Nil).

NOTES TO THE FINANCIAL STATEMENTS

42. Segment Information

Information about Primary Business Segments

(Rs. in Million)

	Printing Ink		Adhesive		Total	
	2015	2014	2015	2014	2015	2014
REVENUE						
External Sales	6,898.49	6,717.11	562.13	469.85	7,460.62	7,186.96
Total Revenue	6,898.49	6,717.11	562.13	469.85	7,460.62	7,186.96
RESULTS						
Segment Results *	536.86	(211.05)	27.59	(11.79)	564.45	(222.84)
Unallocable Expenses					(126.36)	(116.47)
Unallocable Income					13.69	9.98
Interest Expenses (including other borrowing cost)					(48.81)	(62.91)
Tax Expense					(105.85)	83.34
Profit/ (Loss) for the Year	536.86	(211.05)	27.59	(11.79)	297.12	(308.90)
OTHER INFORMATION						
Segment Assets	3,461.77	3,698.07	389.48	409.05	3,851.25	4,107.12
Unallocable Assets					232.10	240.91
Total Assets	3,461.77	3,698.07	389.48	409.05	4,083.35	4,348.03
Segment Liabilities	953.74	1,205.60	55.70	55.05	1,009.44	1,260.65
Un-allocable Liabilities					236.82	482.52
Total Liabilities	953.74	1,205.60	55.70	55.05	1,246.26	1,743.17
Depreciation and Amortisation	147.45	108.35	9.14	6.40	156.59	114.75
Capital Expenditure	46.14	45.07	5.70	1.61	51.84	46.68
Non-cash Expenditure other than Depreciation and Amortisation	45.98	61.38	—	0.35	45.98	61.73

* After considering exceptional item

Notes:

- The Company has considered business segment as the primary segment for disclosure. The components of this business segment is Printing Inks (including allied products) and Adhesives.
- The Segment wise revenue, results, assets and liabilities relate to the respective amounts directly identifiable to each of the segments. Unallocable income/ expenses refer to income/ expenses which relate to the Company as a whole and are not allocable to segments on a reasonable basis.
- The Company operates predominantly within the geographical limits of India and accordingly secondary segments have not been considered.

NOTES TO THE FINANCIAL STATEMENTS

43. Post Employment Defined Benefit Plans

(a) The following table set forth the particulars in respect of Pension (Funded), Gratuity (Funded) and Retirement Benefit (Unfunded) Plans of the Company :

(i) Amount recognised in the Balance Sheet are as follows: (Rs. in Million)

		Pension	Gratuity	Retirement Benefit
Present value of Defined Benefit Obligation	2015	27.23	79.56	5.35
	2014	37.13	82.28	5.34
	2013	43.18	88.30	5.46
	2012	50.18	84.99	5.81
	2011	73.06	86.30	5.83
Fair Value of Plan Assets	2015	27.13	84.32	—
	2014	42.95	80.46	—
	2013	55.32	89.59	—
	2012	68.62	88.96	—
	2011	98.39	83.50	—
Net Asset / (Liability)	2015	(0.10)	—*	(5.35)
	2014	—	(1.82)	(5.34)
	2013	12.14	1.29	(5.46)
	2012	18.44	3.97	(5.81)
	2011	25.33	(2.80)	(5.83)
Experience Adjustments on Plan Assets [Gain/ (Loss) during the year]	2015	(0.54)	0.07	—
	2014	0.41	0.13	—
	2013	0.99	1.24	—
	2012	(2.35)	0.18	—
	2011	(2.74)	(2.08)	—
Experience Adjustments on Obligations [(Gain)/ Loss during the year]	2015	0.52	1.89	0.03
	2014	3.05	14.58	6.89
	2013	(1.15)	5.09	0.32
	2012	1.87	1.78	0.15
	2011	(4.99)	(0.81)	0.70

* Restricted to lower of the amount per computation about and present value of any economic benefits available in the form of refunds from the Plan or reductions in future contributions to the Plan.

(ii) Amount recognised in the Statement of Profit and Loss are as follows: (Rs. in Million)

		Pension	Gratuity	Retirement Benefit
Current Service Cost	2015	—	5.02	0.18
	2014	—	5.01	0.18
Interest Cost	2015	2.42	5.91	0.40
	2014	3.25	6.23	0.03
Expected Return on Plan Assets	2015	(2.69)	(6.28)	—
	2014	(4.21)	(7.32)	—
Actuarial Loss/(Gain)	2015	1.07	1.85	0.03
	2014	4.32	20.86	8.52
Past service cost	2015	—	—	—
	2014	—	—	1.35
Total*	2015	0.80	6.50	0.61
	2014	3.36	24.78	10.08

* Recognised under "Contribution to Provident and Other Funds" in Note 22 for Pension and Gratuity and under "Staff Welfare Expenses" in Note 22 for Retirement Benefit

NOTES TO THE FINANCIAL STATEMENTS

(iii) Reconciliation of Opening and Closing Balances of the Present Value of Defined Benefit Obligation

(Rs. in Million)

		Pension	Gratuity	Retirement Benefit
Opening Present Value of Defined Benefit Obligation	2015	37.13	82.28	5.34
	2014	43.18	88.30	5.46
Current Service Cost	2015	-	5.02	0.18
	2014	-	5.01	0.18
Interest Cost	2015	2.42	5.91	0.40
	2014	3.25	6.23	0.03
Actuarial Loss/(Gain)	2015	0.53	1.92	0.03
	2014	4.73	20.99	8.52
Plan Amendments	2015	-	-	-
	2014	-	-	1.35
Benefits Paid	2015	(12.85)	(15.57)	(0.60)
	2014	(14.03)	(38.25)	(10.20)
Closing Present Value of Defined Benefit Obligation	2015	27.23	79.56	5.35
	2014	37.13	82.28	5.34

(iv) Reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets (Rs. in Million)

		Pension	Gratuity
Opening Fair Value of Plan Assets	2015	42.95	80.46
	2014	55.32	89.59
Expected Return on Plan Assets	2015	2.69	6.28
	2014	4.21	7.32
Actuarial Gain/ (Loss)	2015	(0.54)	0.07
	2014	0.41	0.13
Contributions by Employer	2015	(5.12)	13.08
	2014	(2.96)	21.67
Benefits Paid	2015	(12.85)	(15.57)
	2014	(14.03)	(38.25)
Closing Fair Value of Plan Assets	2015	27.13	84.32
	2014	42.95	80.46

(v) Major Categories of Plan Assets as a percentage of Fair Value of the total Plan Assets:

		Pension	Gratuity
Govt. of India Securities / Deposits	2015	65%	10%
	2014	43%	11%
PSU Bonds / State Securities	2015	23%	-
	2014	18%	-
Corporate Bonds	2015	0%	13%
	2014	15%	13%
Insurance Managed Funds	2015	9%	75%
	2014	17%	74%
Bank Balances	2015	3%	2%
	2014	7%	2%
Total	2015	100%	100%
	2014	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

(vi) **Actual Return on Plan Assets :**

	2015	2014
Pension	2.15	4.62
Gratuity	6.35	7.45

(vii) **Principal Actuarial assumptions used:**

		2015	2014
Discount rates		7.92%	7.93%
Expected rate of return on plan assets		7.93%	9.00%
Expected salary increase rates	For Management Staff	5% and NIL for pension	5% and NIL for pension
	For Unionised Staff	4% and NIL for pension	4% and NIL for pension
Mortality rates		Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

The estimate of future salary increases considered in the actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

The expected return on plan assets is determined after taking into consideration composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets, the Company's policy for plan asset management and other relevant factors.

- (b) In terms of Guidance on implementing Accounting Standard 15 (Revised 2005) on Employee Benefits issued by the Accounting Standard Board of the Institute of Chartered Accountants of India (ICAI), a provident fund set up by the Company is treated as a defined benefit plan in view of the Company's obligation to meet shortfall, if any, on account of interest.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the balance sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate obligation of the Company as at the Balance Sheet date. Further during the year, the Company's contribution of Rs.14.84 Million (2014 - Rs.17.53 Million) to the Provident Fund Trust has been expensed under the 'Contribution to Provident and Other Funds' in Note 22. Disclosures given hereunder are restricted to the information available as per the Actuary's Report -

	2015	2014
Discount rates	7.84%	7.94%
Expected yield on plan assets	9.491%	9.51%
Guaranteed Interest Rate	8.75%	8.75%

- (c) During the year the Company has recognised an amount of Rs. 19.34 Million (2014 - Rs.17.81 Million) as expenditure towards defined contribution plans of the Company.

NOTES TO THE FINANCIAL STATEMENTS

44. Computation of Earnings / (Loss) per Equity Share (Basic and Diluted)

Particulars	2015	2014
(I) Basic		
(a) (i) Number of Equity Shares at the beginning of the year	9,178,977	9,178,977
(ii) Number of Equity Shares at the end of the year	9,178,977	9,178,977
(iii) Weighted average number of Equity Shares outstanding during the year	9,178,977	9,178,977
(iv) Face Value of each Equity Share (in Rs.)	10	10
(b) Amount of Profit / (Loss) after tax attributable to Equity Shareholders		
Profit / (Loss) for the Year (Rs. in Million)	297.12	(308.90)
(c) Basic Earnings / (Loss) per Equity Share Rs. [(b)/(a)(iii)]	32.37	(33.65)
(II) Diluted		
(a) Dilutive Potential Equity Shares	—	—
(b) Diluted Earning / (Loss) per Equity Share (Rs.) [Same as (I)(c) above]	32.37	(33.65)

45 Exceptional Item represents separation costs pursuant to closure of the manufacturing unit relating to Printing Inks Segment of the Company located in Mumbai.

46 Effective 1st January, 2015, the Company has revised the useful lives of certain tangible Fixed Assets in keeping with the provisions of Schedule II to the Companies Act, 2013. As a result, depreciation expense for the year ended 31st December, 2015 is higher and profit before tax is lower by Rs. 47.52 Million and net book value aggregating Rs.20.70 Million (Net of Deferred Tax Rs.10.67 Million) relating to assets, where the revised useful lives have expired by 31st December, 2014 has been adjusted against opening balance of Retained Earnings (Note 2) as on 1st January, 2015.

The aforesaid revision of useful lives will result in decrease in depreciation expense in future periods by Rs. 16.15 Million as compared to the original useful life of the assets.

47. Previous year's figures have been re-grouped / re-arranged, wherever necessary to conform to current year's classification.

NOTES TO THE FINANCIAL STATEMENTS

Note 48

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply, in all material aspects, with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] of the Companies Act, 1956 and other relevant provisions of the Companies Act, 2013 (the 'Act').

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

FIXED ASSETS

Fixed Assets are stated at cost of acquisition less accumulated depreciation/amortisation and accumulated impairment losses, if any.

Cost comprises cost of acquisition including non-refundable taxes/duties, freight and other incidental expenses related to acquisition and installation. Cost of software includes license fees and cost of implementation / system integration services, where applicable.

Subsequent expenditures related to an item of fixed asset (tangible or intangible) are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

DEPRECIATION AND AMORTISATION

Depreciation on tangible fixed assets is provided over the estimated useful lives of the assets in keeping with the requirements of Schedule II to the Act which is in line with the technical evaluation carried out during the year by the Company's expert as under:

- (i) On Silos and Rollers included in Plant and Equipments on Straight Line Method @ 20%.
- (ii) On Research Equipment included in Plant and Equipments on Straight Line Method @ 25%.
- (iii) On Computers, on Straight Line Method @ 33.33%.
- (iv) For assets set out in (i) to (iii) above, estimated useful lives are different from those specified in Schedule II to Act. On all other tangible assets, depreciation is provided on Written Down Value Method over the useful lives specified in Schedule II to the Act..
- (v) All assets costing Rs 5,000 or less are fully depreciated in the year of additions.
- (vi) In respect of assets acquired, sold or discarded during the period, prorated depreciation, for the period during which each such asset was in use, after rounding off part of the month to the whole month.
- (vii) Also refer Note 46.

Leasehold land is amortised on a straight-line basis over the lease period. Intangible assets (Computer Software) are amortised on a straight-line basis over a period of four years.

IMPAIRMENT

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired.

An impairment loss, if any, is recognised wherever the carrying amount of the fixed assets exceeds the recoverable amount i.e. the higher of the assets' net selling price and value in use.

Notes to the Financial Statements

After impairment, depreciation is provided on the revised carrying amount of the fixed asset over its remaining useful life.

INVESTMENTS

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Long-term investments are carried at cost less write down for any diminution, other than temporary, in carrying value.

INVENTORIES

Inventories are valued at lower of cost and net realisable value.

Cost is determined on first-in-first-out formula for all categories of inventories except stores and spare parts for which it is determined under weighted average formula.

Cost includes expenditure incurred in the normal course of business in bringing inventories to its present location, condition, labour and overheads, where applicable.

Inventories are written down for obsolete / slow-moving/ non-moving items, wherever necessary.

FOREIGN CURRENCY TRANSACTIONS AS APPLICABLE UNDER ACCOUNTING STANDARD 11 ON 'THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES'

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. The resultant exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in the Statement of Profit and Loss.

Premium or discount arising at the inception of a forward exchange contract entered into hedge an existing asset / liability is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates changed. Profit or loss arising on cancellation or renewal of forward contract is recognised as income or expense of the period.

DERIVATIVE CONTRACTS

In respect of derivative contracts (other than forward exchange contracts covered under Accounting Standard 11 on 'The Effects of Changes in Foreign Exchange Rates'), gains/losses on settlement and mark-to-market loss, if any, on outstanding contracts as at the Balance Sheet date are recognised in the Statement of Profit and Loss and mark-to-market gain, if any, on outstanding contracts as at the Balance Sheet date is ignored.

Refer Note on Foreign Currency Transactions above for forward exchange contracts covered under Accounting Standard 11 on 'The Effects of Changes in Foreign Exchange Rates'.

REVENUE

Revenue from sale of goods are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract. It includes excise duty but excludes value added tax/sales tax, trade discounts, returns, as applicable.

BORROWING COSTS

Borrowing costs, if any, attributable to the acquisition and construction of qualifying assets (i.e., the assets that necessarily take a substantial period of time to get ready for their intended use) are added to the cost up to the date when such assets are ready for their intended use. Other borrowing costs are recognised as expense in the period in which these are incurred.

RESEARCH & DEVELOPMENT EXPENDITURE

Revenue expenditure on Research is expensed in the period in which it is incurred. Expenditure on Development is expensed / capitalised in compliance with the provisions of the Accounting Standard 26 on 'Intangible Assets'.

Notes to the Financial Statements

EMPLOYEE BENEFITS

(a) Short-term Employee Benefits

Short-term Employee Benefits (i.e. benefits falling due within one year after the end of the period in which employees render the related service) are recognised as expense in the period in which employee services are rendered as per the Company's scheme based on expected obligations on undiscounted basis.

(b) Post-employment Benefit Plans

Post-employment benefits comprise Provident Fund, Superannuation Fund, Gratuity, Pension and Retirement Benefits which are accounted for as follows:

- i. Provident Fund - Certain employees of the Company receive provident fund benefits, which are administered by the Provident Fund Trust set up by the Company. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employees and the Company make monthly contributions at specified percentage of the employees' salary to such Provident Fund Trust. The Company has an obligation to fund any shortfall in return on plan assets over the interest rates prescribed by the authorities from time to time. In view of the Company's obligation to meet the shortfall, this is a defined benefit plan. Actuarial valuation of the Company's liability under such scheme is carried out under the Projected Unit Credit (PUC) Method at the year end and the charge, if any, is recognised in the Statement of Profit and Loss. Actuarial gains/ losses are recognised immediately in the Statement of Profit and Loss as income/expense.
- ii. Superannuation Fund - This is a defined contribution plan. The Company contributes a certain percentage of the eligible salary for employees covered under the scheme towards superannuation fund administered by the Trustees. The Company has no further obligations for future superannuation benefits other than its contributions and recognises such contributions as expense in the period in which the related employee services are rendered.
- iii. Gratuity - This is a defined benefit plan covering eligible employees. As per the scheme, the Gratuity Fund Trust administered by Trustees, makes payment to vested employees at retirement, death, incapacitation, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The liability is determined based on year-end actuarial valuation using PUC Method. Actuarial gains/losses are recognised immediately in the Statement of Profit and Loss as income/expense.
- iv. Pension - The Company has discontinued the Defined Pension Benefit scheme with effect from 1st May 2009 and all the employees who were members of the erstwhile Defined Pension Benefit scheme has been brought under the Defined Contribution scheme for benefit provisions under the Pension plan. The present value of benefit obligation is actuarially determined at the end of each year by discounting the present value of crystallised pension as at 30th April 2009. Actuarial gains/ losses are recognised immediately in the Statement of Profit and Loss as income/expense.
- v. Retirement Benefit - Liability accrued during the year in respect of retirement benefit payable to certain employees governed by agreement with the Union representing them are treated as a defined benefit plan. As per the scheme, a lumpsum benefit is paid to the eligible employees on cessation of service with the Company. The Company's liability is actuarially determined using the PUC method at the end of each year. Actuarial gains/ losses are recognised immediately in the Statement of Profit and Loss as income/expense.

(c) Other Long-term Employee Benefits (unfunded)

The cost of providing other long-term employee benefits (Leave Encashment) is determined using Projected Unit Credit Method, with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Other long-term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

(d) Terminal benefits are recognised as expense as and when incurred.

Notes to the Financial Statements

PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation as at the Balance Sheet date and are not discounted to its present value.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

TAXATION

Current tax represents the amount that otherwise would have been payable under the Income-Tax Act, 1961 had this financial year been reckoned as the basis for computation of tax payable under the prevailing taxation laws. (Also refer Note 29).

Deferred tax is provided on timing differences between taxable income and accounting income measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only if there is a virtual / reasonable certainty, as applicable, in keeping with Accounting Standard 22 on 'Accounting for Taxes on Income' that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are reviewed for the appropriateness of their respective carrying amount at each Balance Sheet date.

LEASES

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of lease.

Signatures to Notes 1 to 48

On behalf of the Board

For Lovelock and Lewes
Firm Registration Number - 301056E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number: 57572
Kolkata, 5th February 2016

Shailendra Hari Singh **Utpal Sengupta**
Managing Director & CEO *Director*

Sandip Chatterjee **B. DeSarkar**
Chief Finance Officer *Company Secretary*

Kolkata, 5th February 2016

Cash Flow Statement

For the year ended 31st December 2015

(Rs. in Million)

	Year ended 31st December 2015	Year ended 31st December 2014
A. Cash Flows from Operating Activities:		
Profit/(Loss) before Tax	402.97	(392.24)
Adjustments for :		
Depreciation and Amortisation Expense	173.92	126.51
Loss on Disposal of Tangible Fixed Assets	11.76	8.04
Bad Debts Written Off	8.93	36.88
Provision for Doubtful Debts	25.29	16.81
Interest Income	(0.68)	(0.78)
Finance Costs	48.81	62.91
Provision for Doubtful Debts Written Back	(4.89)	(21.52)
Provision for Mark-to-Market Losses on Derivatives	0.31	0.28
Liabilities no Longer Required Written Back	(35.45)	—
Operating Profit/(Loss) before Working Capital Changes	630.97	(163.11)
Changes in Working Capital :		
Increase / (Decrease) in Trade and Other Payables	(163.93)	213.43
Increase in Trade and Other Receivables	(55.23)	(8.05)
(Increase) / Decrease in Inventories	105.50	(35.91)
Cash Generated from Operations	517.31	6.36
Income Tax paid (Net of Refunds)	(96.12)	17.21
Net Cash from Operating Activities	421.19	23.57
B. Cash Flows from Investing Activities:		
Purchase of Tangible/ Intangible Fixed Assets	(54.03)	(101.64)
Proceeds on Disposal of Tangible Fixed Assets	0.23	0.45
Interest Received	0.84	3.11
Net Cash used in Investing Activities	(52.96)	(98.08)

Cash Flow Statement (Contd.)

(Rs. in Million)

	Year ended 31st December 2015	Year ended 31st December 2014
C. Cash Flows from Financing Activities :		
Dividends paid	(0.19)	(36.62)
Dividend Distribution Tax paid	-	(6.24)
Finance Costs paid	(38.32)	(61.18)
Increase / (Decrease) in Cash Credit and Working Capital Facilities	(326.96)	118.91
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	(365.47)	14.87
Net Cash Inflow / (Outflow)	2.76	(59.64)
Cash and Cash Equivalents - Opening	2.79	62.43
Cash and Cash Equivalents - Closing	5.55	2.79
	2.76	(59.64)
Cash and Cash Equivalents comprise of :		
Cash on hand	0.18	0.52
Balance with Banks in Current Accounts	5.37	2.27
Total	5.55	2.79

Notes :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement.
2. Previous Year's figures have been rearranged / regrouped, wherever necessary.

This is the Cash Flow Statement referred to in our report of even date.

On behalf of the Board

For Lovelock and Lewes
Firm Registration Number - 301056E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number: 57572
Kolkata, 5th February 2016

Shailendra Hari Singh
Managing Director & CEO

Sandip Chatterjee
Chief Finance Officer

Kolkata, 5th February 2016

Utpal Sengupta
Director

B. DeSarkar
Company Secretary

NOTES

ESSENTIAL LIST – RoM UPDATION

Date :

CB Management Services (P) Ltd.

Unit : _____ LTD.

P-22, Bondel Road, Kolkata 700 019

Dear Sirs,

I/We furnish hereunder the following details for necessary updation in the register of members of the Company in respect of the shares of your company registered in my/our name/s under registered Folio No. _____ :-

PARTICULARS	1ST / SOLE HOLDER	1ST JOINT HOLDER	2ND JOINT HOLDER
NAME			
FATHER's/MOTHER's SPOUSE NAME			
PAN <i>(self attested photocopy/ies enclosed)</i>			
UIN (Aadhaar Card) <i>(self attested photocopy/ies enclosed)</i>			
OCCUPATION			
MOBILE NO.			
e-mail ID (only 1st Holder):			
BANK ACCOUNT DETAILS (*) <i>(only 1st Holder)</i> <i>(*) Please enclose a cancelled cheque or photocopy thereof</i>	Account No	:	
	Account Type	:	Savings/Current/NRO/NRE <i>(please tick appropriately)</i>
	Name of the Bank	:	
	Branch Name	:	
	Address	:	
	MICR Code	:	
	IFS Code	:	

(Signature of 1st Holder)

(Signature of 2nd Holder)

(Signature of 3rd Holder)

ATTESTATION PARTICULARS : Signature(s) of the above named persons, holders of S.B./C.A. Account No. _____ maintained with us, verified as per our records.

Name of the Bank	:	
Full Address of the Bank (with Branch Name)	:	
Phone No./ e-mail ID	:	
Signature of the Attesting Officer under Official Seal with Name and Employee Code	:	



DIC INDIA LIMITED

Proxy form

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

CIN: L24223WB1947PLC015202

Name of the company : DIC India Limited

Registered office : Transport Depot Road, Kolkata – 700088

Name of the member (s) : _____

Registered address : _____

E-mail ID : _____

Folio No/ Client Id/ DP ID : _____

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

1. Name :	
2. E-mail Id :	
3. Address :	
4. Signature :	

or failing him,

1. Name	
2. E-mail Id:	
3. Address	
4. Signature	

or failing him

1. Name	
2. E-mail Id:	
3. Address	
4. Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 68th Annual General Meeting of the Company, to be held on 22nd April 2016 at 11.00 a.m. in the Williamson Magor Hall of The Bengal Chamber of Commerce & Industry, Royal Exchange, No. 6, Netaji Subhas Road, Kolkata – 700001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.	To receive and consider the Statement of Profit & Loss for the financial year ended 31st December 2015, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2.	To declare final dividend of Rs 4.00 per equity share, to be paid for the financial year ended 31st December 2015.
3.	To appoint a Director in place of Dr. Prabir Kumar Dutt (DIN:00026833), who retires by rotation and being eligible, seeks re-appointment.
4.	To appoint M/s. Lovelock & Lewes, Chartered Accountants (FRN301056E) as the statutory auditors of the Company to hold office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting and to authorize the Board to fix their remuneration
5.	Ratification of the remuneration paid to M/s Sinha Chaudhuri & Associates, Cost Accountants (FRN 000057) as Cost Auditors of the Company



Signed this day of 2016



Signature of shareholder : _____

Signature of Proxy holder(s) : _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



DIC INDIA LIMITED

CIN - L24223WB1947PLC015202

Registered Office

Transport Depot Road, Kolkata - 700 088, West Bengal
Telephone : (033) 2449 6591-95, 2449 3984-85, Fax : (033) 2449 7033, 2448 9039

FACTORIES

KOLKATA

Transport Depot Road
Kolkata - 700 088, West Bengal
Telephone : (033) 2449 6591-95/2449 3984-85
Fax : (033) 2449 7033, 2448 9039
E-mail : coi@dic.co.in

NOIDA

C-55A & B, Phase II
Dist. Gautam Buddha Nagar
Noida - 201 305, Uttar Pradesh
Telephone : (0120) 465 5100/110
Fax : (0120) 465 5150

AHMEDABAD

Plot No. 633 & 634
G.I.D.C. Industrial Estate, Phase IV, Vatva
Ahmedabad - 382 445, Gujarat
Telephone : (079) 2589 0861/0865
Fax : (079) 2583 5706

BENGALURU

66A, Bommasandra Industrial Area
Hosur Road, Anekal Taluk
Bengaluru - 560 099,
Karnataka
Telefax : (080) 2783 1874

SALES DEPOTS & OFFICES

MUMBAI

Unit No. B2-408, 4th Floor, Wing "B2",
"BOOMERAGN",
Near Chandivali Studio,
Chandivali Farm Road,
Andheri (East), Mumbai - 400 072

HYDERABAD

Plot No. B-7, IDA,
Uppal,
Hyderabad- 500 039,
Telangana
Telephone : (040) 2720 6821/ 6281

KANPUR

301, Urvashi Apartment, 3rd Floor
Plot No.7/29, Tilak Nagar
Kanpur - 208 002, Uttar Pradesh
Telephone : (0522) 2557 7001
Mobile : 091612 90488

DELHI

A-122 & 123, Okhla Industrial Area
Phase II
New Delhi - 110 020
E-mail : delhi@dic.co.in

MADURAI

Gladways Green City
A2 - First Avenue
Avaniapuram
Madurai - 625 012
Telephone : 099948 27764

CHENNAI

Eastern Side Shed (Godown-1),
198/2, Ngeshwar II Road,
Athipet, Ambattur
Chennai - 600 110

DIC INDIA LIMITED

CIN : L24223WB1947PLC015202

Regd. Office : Transport Depot Road, Kolkata 700088

Tel: +91 033 2449 6591

Email - investors@dic.co.in

Website: www.dicindiaLtd.co

ATTENDANCE SLIP

I/We hereby record my/our presence at the 68th Annual General Meeting of the Company being held on Friday, 22nd April, 2016 at 11.00 a.m at Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, Royal Exchange, 6, Netaji Subhas Road, Kolkata 700001

Registered Folio No/DP-ID & Client ID	Sl.No	
Name and Address of the Shareholder		
Joint Holder(s)		
Details of Share(s) held	Class of shares	Number of share(s)
	EQUITY	

Signature of the Shareholder/Proxy present: _____

Note:

1. Shareholder/Proxy desiring to attend the meeting is requested to bring his/her/their Attendance Slip duly filed in to the meeting hall and hand over at the entrance duly signed.
2. Shareholder/Proxy desiring to attend the meeting is requested to bring his/her/their copy of the Annual Report for reference at the meeting.

Note : Please cut here and bring the above Attendance Slip to meeting.**ELECTRONIC VOTING PARTICULARS**

e-Voting Start Date and Time	e-Voting End Date and Time
19th April, 2016 from 09:00 A.M.	21st April, 2016 till 05:00 P.M.

EVEN (e-Voting Event number)	User ID	PASSWORD/PIN
103881		