



2017-2018

79th Annual Report

"Striding Towards a New Future"

Corporate Directory

BOARD OF DIRECTORS

Dr. Shashi Chand Jain
Chairman Emeritus

Shri. Pramod Kumar Jain
Chairman and Managing Director

Shri. Bakul Jain
Managing Director

Shri. Vivek Jain
Managing Director

Shri Mudit Jain
Managing Director

Shri Pradip Madhavji
Ms. Sujata Rangnekar
Shri Krishnamoorthy Krishnan
Shri Salil Kapoor

BANKERS

Punjab National Bank
State Bank of India
City Union Bank Ltd.

AUDITORS

Chhajer & Doshi
Chartered Accountants, Mumbai

REGISTERED OFFICE
Dhrangadhra – 363 315, Gujarat.

HEAD OFFICE

“Nirmal” 3rd Floor,
Nariman Point,
Mumbai – 400 021.

BRANCH OFFICE

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

WORKS

Soda Ash Division : Dhrangadhra – 363 315,
Gujarat

Caustic Soda Division : Arumuganeri P.O.,
PVC Division : Sahapuram – 628 202,
CPVC Division : Tamil Nadu.
SIOP Division

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

79TH
Annual Report
2017 - 2018



Directors' Report

TO THE MEMBERS

Your Directors present their 79th Annual Report and Audited Accounts for the Financial Year ended 31st March, 2018 -

1. Financial Results

	31-03-2018 (₹ in lacs)	31-03-2017 (₹ in lacs)
Net Sales	121340.71	130491.45
Gross Profit	3870.76	9294.21
Less : Provisions		
Depreciation	8779.94	6792.91
Profit Before Tax/(Loss)	(4909.18)	2501.30
Tax: Current Period	-	485.00
Previous Period	-	15.00
MAT Credit available for set off / Utilized	-	(475.00)
	-	25.00
Profit/(Loss) After Current Tax & Tax Adjustments	(4909.18)	2476.30
Deferred Tax	(2889.02)	461.57
Profit after Tax/(Loss)	(2020.16)	2014.73
Add: Balance brought forward	15686.14	13671.41
Profit available for Appropriation	13665.98	15686.14
Appropriations:		
General Reserves	-	-
Proposed Dividend	-	-
Dividend Distribution Tax	-	-
Balance carried forward	13665.98	15686.14

2. Dividend:

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

3. Operations:

The sales for the year are ₹ 121340.71 lacs compared to ₹ 130491.45 lacs in the previous year. The profit for the year (before depreciation) was ₹ 3870.76 lacs against a profit of ₹ 9294.21 lacs in the previous year. The loss before tax amounted to ₹ (4909.18) lacs as against profit of ₹ 2501.30 lacs in the previous year. The loss after provision of current tax / taxes for the year is ₹ (4909.18) lacs against a profit of ₹ 2476.30 lacs for previous year and loss after deferred tax was ₹ (2020.16) lacs against profit of ₹ 2014.73 lacs for previous year.

4. Exports:

The Company's exports were of ₹ 15291.84 lacs as compared to ₹ 16558.91 lacs in the previous year. This decrease in Export Turnover is on account of lower export sale of Synthetic Rutile.

5. Division wise Performance:

a) PVC Division:

The turnover of the division was ₹ 54558.22 lacs as compared to ₹ 65917.92 lacs in the previous year, a decrease of 17% the turnover of this division is lower compared to previous year, this is due to lower production during first three quarter of the years because of water scarcity being faced at company's Shupuram Unit, in Southern Tamilnadu, which has faced draught during first three quarters of the year, this has affected

the working of this division. The demand for PVC continues to show positive growth. The Government has identified irrigation, power and infrastructure, as thrust areas and increased activity in these sectors are likely to boost demand of PVC Resin.

b) Caustic Soda Division:

The turnover of the division was ₹ 40904.17 lacs as compared to ₹ 41807.78 lacs in the previous year, an decrease of 2% in the turnover during the year. This is due to lower production during first three quarter of the years because of water scarcity being faced at company's Shupuram Unit, in Southern Tamilnadu, which has faced draught during first three quarters of the year, this has affected the working of this division.

c) Soda Ash Division:

The turnover of the division was ₹ 20736.67 lacs as compared to ₹ 19635.00 lacs, an increase of 6% during the year. The turnover of this division has been mainly due to higher production and sales during the year. The demand for the product of this segment is consistent. Also looking to the demand and supply position in coming years and no major new capacities coming up in near future the working of this division is expected to be stable.

d) Synthetic Iron Oxide Pigment:

The turnover of the division was ₹ 2595.82 lacs as compared to ₹ 3058.99 lacs in the previous year. The product manufactured in this division has taken quite a long time to stabilize. Also this being specialty chemical the validation process was slow and longer. The company is confident of gradually ramping up the capacity and meet product variants as required by the customers. Also as explained above company's Sahupuram plant which is located in South Tamilnadu, which has faced severe draught during the year due to which the activities of this division had been affected.

The product of the company has been accepted both in the international as well as domestic market and company is developing wider customer base for this product in both the markets. This product is also helping the company to use waste coming out from its Synthetic Rutile (BI) plant to manufacture value added commercial product.

e) C-PVC Division:

The turnover of the division was ₹ 2189.12 lacs. This being the first year of operation of this plant the product being specialty chemical, has a longer approval process. The product has been well accepted by the customers and current year the plant has started working at its capacity. Also as explained above company's Sahupuram plant which is located in South Tamilnadu where this plant is also located has experienced water crisis situation during the first three quarters of the year.

5.1 There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2017-18 and the date of this Report.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

6.1 Industry Structure and Developments:

6.1.1 Caustic Soda is an Alkaline used in sector like Soap, Detergent, Paper and Chemicals (alumina sector). The demand for caustic soda is driven by the upturn in the production growth in these sectors. The installed capacity of caustic soda is about 36.70 lakhs tonnes out of which 50% of the capacities are in the Western part of India, 25% in Southern India.

6.1.2 Soda Ash is mainly used in industries such as Detergents, Dye intermediaries, Sodium Silicate, Ore Refining, Glass Industry, Pesticides, Paper, Pharmaceuticals and Mining Industries. Sodium Bicarbonate which is manufactured by Soda Ash Industries is being used in Bakeries and also by Chemical and Pharmaceuticals Industries. The total installed capacity in Soda Ash Industries is 33.61 lakhs MT. All these capacities are concentrated in Western part of India due to availability of required raw material i.e. Salt, Lime Stone and Coal/Lignite. The demand for Soda Ash is increasing by 5% annually mainly due to demand from Detergent and Glass sector.

6.1.3 PolyVinyl Chloride (PVC)

PolyVinyl Chloride (PVC) is the most commonly used thermoplastic. PVC is produced from Vinyl Chloride Monomer (VCM), which is obtained from Ethylene Dichloride (EDC), a derivative of ethylene and chlorine. PVC is used in a variety of items, such as Pipes and Fittings, Wires and Cables, Calendered Sheets, Blow Molded Bottles, Profiles, Footwear, Roofing, Automotive Parts, Table Clothes, Shower Curtains and Furniture. In India the per capita consumption of PVC is significantly less as compared with developed countries.

Total domestic installed capacity of PVC Industry is 1.35 Mill. TPA. The domestic demand of PVC is about 2.90 Mill. TPA. The shortfall 1.55 Mill. TPA in supply is met by imports. The market for PVC is expanding by 5 to 6% p.a. and hence, there is scope for increasing capacities.

6.1.4 CPVC

Chlorinated Polyvinyl Chloride (CPVC) is a specialty Polymer having characteristics such as high glass transition temperature, high heat deflection temperature, outstanding flame and smoke properties and chemical inertness. CPVC due to these properties find application in the Hot water plumbing Sanitary pipe, Industrial Pipes and fire-retardant systems.

CPVC is manufactured by chlorinating Polyvinyl Chloride. Polyvinyl Chloride normally contains 56-57% chlorine and when chlorinated further to 66-67%, it is called Chlorinated Polyvinyl Chloride. DCW's CPVC is produced under technical licenses from Arkema, France, (Presently KEMONE) it is a most clean technology with zero effluent discharge.

CPVC market is estimated to 125000 MT/year and growing at the CAGR of 15%. At present DCW is the only domestic producer having capacity of 12000 MT/year and rest of the demand is met by the imports.

6.1.5 Synthetic Iron Oxide Pigment (SIOP)

SIOP are widely used in Coating, Construction, Plastic and Paper Industries as a coloring matter. As a specialty pigment, the demand for this product is increasing due to growth in Infrastructure and Housing, Commercial Projects. Apart from catering to the domestic demand, the pigment are being exported to countries viz. U.S.A., Europe, Africa, Japan and to other Asian Countries.

6.2 Opportunities and Threats

The domestic demand for all the products manufactured by the Company is growing which gives opportunity to expand its production capacities and take benefits of the expanding market. Company's Caustic Soda, Synthetic Rutile and PVC Units are near to Tuticorin Port in Tamil Nadu and this gives opportunity to the Company to easily export its products. Company has opportunity to go for backward/forward integration in the products it manufactures which can make the Company more competitive.

The low cost imports coming in to the country can be a threat in future. However, Company's efforts over the years have made it a low cost producer and hence the Company is capable of facing international competition.

6.3 Segment-wise or product-wise performance.

6.3.1 Caustic Soda Division:

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

6.3.2 Soda Ash Division:

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

6.3.3 PVC Division:

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

6.3.4 Synthetic Iron Oxide Pigment Division:

With starting of Synthetics Iron Oxide Pigment (SIOP) Division, the company entered into specialty chemical business. The plant was under stabilisation stage and has since started production. This plant has been established with company's patented technology and technological help from Huntsman pigments (formerly Rockwood Pigments). This plant will consume leach liquor generated from Synthetic Rutilke plant and will help in reducing pollution. This division once fully operational will give more stability to the bottom line.

6.3.5 C-PVC:

The new C-PVC Plant which was commissioned and has since stabilized is a specialty chemical and your company is first in India to manufacture C-PVC domestically. At present entire C-PVC demand is being met by way of imports. This plant will help the country to conserve foreign exchange and also will help the country to move towards Make in India. This product being specialty chemical it needs to pass acceptability tests by the user industry. The product has since stabilized and company will be able to achieve full production in this plant by second half of the year.

6.4 OUTLOOK :

The Company has diversified operations with five business segments viz. PVC, CPVC, Chlor- Alkali, SIOP & Soda Ash. It is thus reasonably protected from the vagaries of individual business cycles of these products. By the commencement of commercial production at company's new Synthetic Iron Oxide Pigment plant and C-PVC plant, the company has entered into specialty chemical segment and this will give more stability to the bottom line of the company in coming years.

6.5 Risks and concerns

The Company's performance depends upon number of factors viz., fluctuations in the exchange rates of Rupee with major International currencies, change in raw-material prices, change in duty structure on the raw material imported and Company's various products, change in Government policies in the sectors in which company operates etc.

6.6 Internal Control systems and their adequacy

Company has adequate internal control system commensurating with the nature of its business and size of its operations. Internal Audit is conducted on a regular basis by a reputed firm of Chartered Accountants. The reports of the internal audit along with comments from the management are placed for review before Audit Committee.

6.7 Financial Performance with respect to Operative Performance

The Gross Revenue of the Company for the year was ₹ 1213.40 crores against the gross revenue of ₹ 1304.91 crores of the previous year. The Profit Before Tax was ₹ (49.09) crores compared to ₹ 25.01 crores of the previous year. Water shortage at Shahupuram Works due to near draught condition in Tamilnadu and consequent lower production has caused decrease in revenue and loss to the Company.

6.8 Material Developments in Human Resources/Industrial Relation front, including number of people employed.

Company continues to give at most importance to human resources development and keeps relations cordial. Number of permanent employees have been mentioned hereinafter.

7 Cautionary Note:

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



8. Directors & Key Managerial Personnel

A. Retirement by rotation

In accordance with the provisions of Section 152(6) Mr. Bakul Jain (DIN No.00380256) retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer himself for re-appointment. The Board recommends his re-appointment

B. Independent Directors

Shri Sodhsal Singh Dev of Dhrangadhra (Din N. 00682550) expired on 17th September, 2017. Shri D. Ganapathy (Din No. 02707898) resigned from the Board by his letter dated 04/05/2018 due to ill health and personal commitments. The Board has put on record the valuable contributions made by the aforesaid Directors during their tenure.

Shri Pradip Madhavji (Din No.00272161) have been appointed as an Additional Director w.e.f 13/11/2017 and he is also an Independent Director. Shri Kirshnamoorthy Krishnan (Din No. 008129657) has been appointed as an Additional Director w.e.f 22/05/2018 and he is also an Independent Director.

The above Additional Directors hold office till the conclusion of the forthcoming Annual General Meeting and the Company has received notices from members of their intentions to propose Shri Pradip Madhavji and Shri Krishnamoorthy Krishnan as Independent Directors for a period of 5(five) years.

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

C. Performance Evaluation -

In compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Performance evaluation of the Board was carried out during the year under review and a structured questionnaire was prepared covering various aspects of the Board's functioning such as participation, adequate preparation, contribution to strategy and other areas, quality of decision making, high quality of debate with robust and probing discussions etc. The Nomination and Remuneration Committee evaluated the performance of the Directors. Independent Directors at a separate meeting held by them have evaluated the performance of the non-Independent Directors and also evaluated the performance of the chairman taking into consideration the views of Managing Directors. The Board of Directors have also evaluated the performance of its Committees and each of the Independent Directors.

Mr P.K. Jain, Chairman & Managing Director, Mr Bakul Jain, Mr Mudit Jain, Mr Vivek Jain, Managing Directors and Mr Vimal Jain, Chief Financial Officer and Ms. Jigna Karnick, Company Secretary are Key Managerial Personnel under Section 203 of the Companies Act, 2013.

9. Particulars of employees

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

9.2 Information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year*

Managing Directors	Ratio to median remuneration
Shri P.K. Jain	4.03
Shri Bakul Jain	4.03
Shri Mudit Jain	4.03
Shri Vivek Jain	4.03

* Managing Directors, to strengthen the finances of the Company, as a gesture of goodwill, waived their salary for the period 1/6/2017 to 31/3/2018. Therefore the remuneration paid to them for the months of April and May, 2017 have been considered for the ratio mentioned above.

* Non Executive and Independent Directors have not been included as they were not paid any commission and the sitting fees paid to them have not been considered as remuneration.

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

There was no increase in the Remuneration of Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary in the Financial Year.

- c. The percentage increase in the median remuneration of employees in the financial year : 40.90%
- d. The number of permanent employees on the rolls of Company : 1790
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
The average increase in remuneration is 40.90% for employees other than Managerial Personnel and there was no increase in the Managerial remuneration.
- f. Affirmation that the remuneration is as per the remuneration policy of the Company:

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

10. Statutory Auditors

M/s. Chhajed & Doshi, Chartered Accountants (Firm Registration No. 101794W) have been appointed by the shareholders in their Annual General Meeting held on 28/09/2017 as the statutory auditors of the company for a period of 5(five) years i.e. to hold till the conclusion of the 83rd Annual General Meeting.

11. Cost Auditor And Cost Audit Report

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules 2014 the Board of Directors on the recommendation of the Audit Committee appointed M/s. N.D. Birla & Co., Ahmadabad and M/s. R. Nanabhoy & Co., Mumbai for conducting cost audit of the company's Soda Ash and Caustic Soda divisions respectively for the financial year 2017-18. They have conducted Cost Audit for the financial year 2017-18 of the respective divisions and will be filing Cost Audit Report with the Central Govt. The remuneration payable to Cost Auditors is required to be determined by the Shareholders at the Annual General Meeting. They have also been appointed to do the cost audit of the said respective divisions for the year 2018-19:

12. Secretarial Auditor and Secretarial Audit Report.

M/s. S. K. Jain & Co., (Proprietor Dr. S. K. Jain) Practicing Company Secretary was appointed to conduct Secretarial Audit of the Company for financial year 2017-18 as required under section 204 of the Companies Act, 2013 and the rules thereunder. The Secretarial Audit report for financial year 2017-18 forms part of the annual report as "Annexure B" to the Boards Report. The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

13. Conservation of Energy, Technology and Foreign Exchange.

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

14. Public Deposits

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

15. Committees of the Board.

The Board has constituted the following mandatory committees viz., Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Internal Compliance Committee. The terms of reference of these committees are as required under the provisions of the respective Acts /SEBI (Listing obligations and Disclosure Requirements) 2015 and as determined by the Board. Meeting of each of these committees are convened by the respective Chairman of the Committees and minutes of the meetings of these committees are placed at the Board Meetings. The details of these committees are stated in this Report / Annexures to this Report.

16.1 Corporate Social Responsibility (CSR) Committee

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

16.2 Internal Compliance Committee.

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

16.3 Audit Committee.

Audit Committee comprises 3 Independent Directors and Ms. Sujata Rangnekar is the Chairperson of the Committee and other members of the Committee are Shri Pradip Madhavji and Shri Krishnamoorthy Krishnan and they possess sound knowledge on accounts, audit, finance, taxation, Internal Control etc. The details of the composition of the Audit Committee are given in the Corporate Governance Report .

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

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

16.4 Nomination & Remuneration Committee & Policy

The Company has duly constituted Nomination & Remuneration Committee to align with the requirements prescribed under the provisions of the Companies Act, 2013 and SEBI (Listing obligations and Disclosure Requirements) Regulation 2015.

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

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

17. Extract of the Annual Return

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March 2018 made under the provisions of Section 92 (3) of the Act in Form MGT-9 is annexed herewith as **Annexure "E"**.

18. Details in respect of adequacy of internal financial controls with reference to the financial statements.

A strong internal control culture is pervasive in the company. The Company has implemented a robust and comprehensive internal control system for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources. The internal audit department

continuously monitors efficiency of internal controls with objective of providing to the audit committee and the board of directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organizations risk management, controls and governance processes.

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

19. Related Party Transactions:

All the related party transactions are entered on arms length basis and are in compliance with the applicable provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. All related party transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the audit committee on a quarterly basis specifying the nature value and terms and conditions of the transactions.

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

The details of transaction with Related Party are provided in the accompanying financial statements.

Shri Ashish Jain, Sr. President, Shri Saatvik Jain, Smt. Paulomi Jain and Smt. Malti Bhindi, Presidents who are related to Managing Directors of the Company and hence related parties under Section 2(76)(i) of the Companies Act, 2013 are being re-appointed for a further period of 5 years from the expiry of their present tenure and resolutions for their re-appointment will be included in the notice convening the forth coming Annual General Meeting. They were earlier appointed in the above positions by the shareholders at their 75th Annual General Meeting held on August 13, 2014 and has been discharging their duties since then. Considering the contributions made by them during their present tenure, it is in the interest of the Company that they be re-appointed in the said positions and therefore the Board has recommended their re-appointment.

20. Particulars of loans, guarantees and investments.

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

21. Corporate Governance Report

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

22. Directors' Responsibility Statement

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

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



23. Significant/Material Orders passed by the Regulators

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

24. Insurance

All the properties of the Company are adequately insured.

25. Industrial Relations:

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

26. Acknowledgements

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

For and on behalf of the Board of Directors

P.K. Jain

Chairman & Managing Director

Place: Mumbai

Date: 29th May, 2018

ANNEXURE TO THE DIRECTOR'S REPORT

Information as per Section 197(12) of the Companies Act, 2013, read with the 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Director's Report

Sr. No.	Name	Designation	Remuneration (Rupee)	Qualification	Experience (Years)	Date of commencement of Employment	Age (Years)	Last Employment held
1	Shri Amitabh Gupta	Sr. Vice President (Marketing)	9308130	M.Sc.	45	15.7.1971	66	-
2	Shri S Ganapathy	Sr. Vice President (PVC)	6619656	M.B.A.	32	2.7.1990	57	Colorchem Ltd.
3	Shri Vimal Jain	Chief Financial Officer	6145951	C.A.	30	21.1.2004	55	Sapat International
4	Shri V Sridhar	Sr. Vice President (Taxation.)	5541227	C.A.	40	9.3.1992	65	TTK Prestige Ltd.
5	Shri T D Laji	Vice President (Legal)	2832086	LLB	40	3.5.1990	63	Mather & Platt (India) Ltd.
6	Shri Balraj S Balisti	DGM (Accounts)	2649139	B.Com	40	8.9.1978	60	PRC Ltd.
7	Shri Romu Malkani	Sr. G.M. (Commercial)]	2611547	BE, PGDFT	26	28.1.1997	47	Sabero Organics
8	Shri C S Ganesh	Sr. G.M. (Marketing)	2538534	B.Sc, MBA	33	21.5.1985	55	Royal Cushion Vayal
9	Shri Raja Ram Agarwal	DGM (Finance and Accounts)	2538010	C.A.	28	19.1.1995	53	-
10	Shri Vivek Poddar	Sr. G.M. PVC	2478534	B.Sc	38	10.10.1994	59	Ion Exchange (India) Limited
11	Shri K. Sundar*	Sr. G.M. (D & P)	1424765	BE (Mech) and AMIE (Electrical)	23	4.5.1994	57	Dalmia Magnesite Corporation
12	Shri Karthikeyan S.*	Dy. Manager - TCEP	1229956	B.Sc (Chem)	34	27.3.1982	59	-

Notes:

- 1 The gross remuneration shown above (subject to tax) comprise salary, Perquisites, Company's contribution to Provident Fund, Superannuation Fund and Gratuity Fund.
- 2 *The gross remuneration comprises (subject to tax) Salary, Perquisites, Company's contribution to Provident Fund, Gratuity Paid and Leave Salary as the employees were only for part of the year.
- 3 None of the above employees are related to any of the Directors of the Company.
- 4 The Managing Directors, Senior President and Presidents are entitled for remuneration in excess of the limits mentioned under Rule 5(2) (i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However, to strengthen the finances of the Company, as a gesture of good will they have waived their salary for the period 1/6/2017 to 31/3/2018.



ANNEXURE TO THE DIRECTORS REPORT

FORM NO. MR - 3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
DCW LIMITED
DHARANGADHRA
GUJARAT - 363315

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **31st March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in '**Annexure-I**' for the financial year ended on **31st March, 2018** 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; (The Company has not availed any Foreign Direct Investment Overseas Direct Investment and External Commercial Borrowings during the Period under review.)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, presently known as SEBI (Share Based Employee Benefits) Regulations, 2014; (**The Company has not introduced any Employees Stock Option Scheme during the financial year under review**)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not Applicable as the Company has not issued any Debt Securities during the financial year under review**)

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as the Company has not delisted/propose to delist its Equity Shares from any Stock Exchange during the financial year under review)**
 - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; **(Not applicable as the Company has not bought back / propose to buy-back any of its securities during the financial year under review)**
- vi. The Management has identified and confirmed the following laws as the specifically applicable to the Company:
- a) Explosive Act, 1884;
 - b) Hazardous Waste (Management and Handling) Rules, 1989;
 - c) Gas Cylinder Act, 1981.
 - d) Bureau of Indian Standards Act, 1986

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

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I have also examined the books, papers and returns filed and other records maintained by **DCW LIMITED** for the Financial Year ended on **31st March, 2018** according to the provisions of various other Laws applicable, including the Rules made thereunder, and amended from time to time, to the Company, as informed by the Company

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and there are no material non-compliances that have come to our knowledge.

I further report that

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

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

All decision at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the Meeting of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable Laws, Rules, Regulations and Guideline.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company

I further report that during the audit period, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. referred to above.



I further report that during the audit period the following event occurred which had bearing on the Companies affairs in pursuant of the above referred laws, rules, regulations, guidelines etc.

The Board of Directors in their Meetings held on 04/05/2017 and 22/05/2017 has allotted 13,06,000 Equity Shares of ₹ 2/- each upon exercise of conversion options by the warrant holders as per details given below

Sr. No	Date of Board Meeting	Name of Warrants Holders	No of Shares
1	04/05/2017	Bakul Jain and Paulomi Jain	6,53,000
2	22/05/2017	Vivek Jain and Mrs Meeta Jain	5,53,000
		Mrs Meeta Jain and Vivek Jain	1,00,000

Date: 29th May, 2018

Place: Mumbai

For S. K. Jain & Co

Dr. S. K. Jain

Practicing Company Secretary

FCS No.:1473

C P No.: 3076

ANNEXURE - I

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished and representations made to me by the Company, its officers and agents, I report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made thereunder the Memorandum & Articles of Association of the Company with regard to:-

1. Minutes of the Meetings of the Board of Directors, Committee meetings held during the Financial Year under Report;
2. Minutes of General Body Meetings held during the Financial Year under report;
3. Maintenance of various Statutory Registers and Documents and making necessary entries therein;
4. Notice and Agenda papers submitted to all the Directors for the Board Meetings;
5. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
6. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under Report;
7. Disclosure of Interest and Concerns in contracts and arrangement, shareholdings and Directorships in other Companies and interest in other entities by Directors;
8. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report;
9. Appointment and remuneration of Internal and Statutory Auditor;
10. Closure of Register of Members/record date for dividends;
11. Declaration and payment of dividend;

Date: 29th May, 2018

Place: Mumbai

For S. K. Jain & Co

Dr. S. K. Jain

Practicing Company Secretary

FCS No.:1473

C P No.: 3076

To,
The Members
DCW LIMITED

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

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

Date: 29th May, 2018
Place: Mumbai

For S. K. Jain & Co
Dr. S. K. Jain
Practicing Company Secretary
FCS No.:1473
C P No.: 3076

ANNEXURE TO THE DIRECTORS' REPORT

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

A) CONSERVATION OF ENERGY:

(I) THE STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY;

SAHUPURAM

Chlor-Alkali Plant

- 1) Recoating of 35 Nos. selective High Voltage element Anodes reduced standard voltage from 3.70 V to 3.40 V resulting in a saving of 215 KWH.
- 2) By modifying the recovery Lye Pump pipe lines, running of one 5 HP Pump was avoided.
- 3) Liquid chlorine plant cooling water pipelines are interconnected in such a way that during the time of Shutdown raw water can be directly utilized instead of running cooling water pump for compressor head cooling.
- 4) Reduction in auxiliary power consumption achieved in Process Cooling Tower Fan from the present level of 170.0 KWH To 130.0 KWH per day by replacing the aluminum blades to FRP blades.

Synthetic Rutile plant

- 1) Effective operation control (feed rate optimization) implemented in roaster section resulted in savings of energy.
- 2) By replacement of existing conventional type Oil Pre heaters with ceramic heaters in SR plant roaster area, resulted in energy saving.
- 3) Instead of running 2 pumps for feeding leach liquor to both Lamella clarifier, by line modification running of one pump avoided, which resulted in energy saving.
- 4) In Roasters, equipment loading capacity optimized to 4tons / hour - per Roaster consistently thereby reducing the fuel consumption.
- 5) By re-engineering, compressor cooling tower water pump capacity was reduced to 20HP from 40HP, resulted in energy savings.

PVC Plant

- 1) Provided one lower capacity pump in PVC raw water pump house in addition to higher capacity pumps and depending upon the process requirement on low load conditions the low capacity pump is put on line instead of running higher capacity pumps in under loaded condition, which resulted in energy saving

Installation of Supermizers & Variable Frequency Drives

- 1) Supermizer the electronic device to reduce the energy consumption in three phase induction motors are being used continuously in all plants to save energy under variable load conditions. During the year 2017 - 18, 166 Supermizers were continuously in service resulting in an annual saving of about 17.45 Lacs units.
- 2) Energy Conservation through operations of VFDs has resulted in a saving of 43.30 Lacs units per annum.

Energy Conservation activities

- 1) National Energy Conservation week celebrations organized during Dec 2017 and out of 36 suggestions received, 19 suggestions validated for implementation. By completing 11 projects out of 19, energy saving achieved was 2,40,000 electrical units per annum and 46 MT of FO in 2017-18. This includes 4nos. projects as system

improvements. Balance 8 projects with overall saving potential of 4,62,520 units per annum with 500 MT of Steam is being implemented this year in 2018-19.

- 2) Numbers of Cost Improvement Program (CIP) organized during 2017-18, number of energy related projects evaluated for implementation was 15 and Energy Saving through implementation of the 10 projects achieved was 1,74,373 units per annum. Balance 5 projects are being implemented in 2018-19.

DHRANGADHRA

- 1) Installation of variable speed drive for ID fan of boiler 1, resulted in power saving of 10 kwh.
- 2) 50 Nos. light fittings renewed with mettle halides replacing mercury vapor lamps resulted in power savings of 37.50 kwh per day.
- 3) Installed Oxygen analysers in boiler 3 & boiler 1. Due to combustion air control, boiler efficiency went up 1.42% over last year. In addition, all the soot blowers in boiler 1 & 2 were revamped & optimized the flue gas temperature.
- 4) Installed high capacity & high efficiency pump in obsorber area of capacity 350 m3/hr with material of construction of nickel & cast iron combination to service both final & inter transfer pumping requirement. This has resulted in ower savings of 14 kwh in addition to reduction in maintenance expense.

II) STEPS TAKEN BY THE COMPANY FOR UTILISING ALTERNATE SOURCE OF ENERGY :

The alternate source of energy like Solar Energy is used in place of Conventional Electrical Energy for illuminating the Administration Office area by installation of Solar PV Cells

THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS:

An investment of ₹ 34.70 lakhs were made for energy conservation which includes investment on energy conservation equipments.

TECHNOLOGY ABSORPTION

THE EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION AND BENEFITS DERIVED LIKE PRODUCT IMPROVEMENT, COST REDUCTION, PRODUCT DEVELOPMENT OR IMPORT SUBSTITUTION.

CHLOR ALKALI PLANT

- 1) In house Efforts are undertaken to recycle a part of DM plant Effluents for Hydro Chloric Acid synthesis and thereby reducing Specific water consumption and Effluent Generation.
- 2) Recoating of Selective Anodes is undertaken to reduce the specific power consumption to optimum levels.
- 3) Installation of Temperature scanners in certain Chlorine filling points to monitor the skin temperature of Chlorine Tonner under filling is being undertaken on safety aspect.

SYNTHETIC RUTILE

- 1) To avoid hazardous reaction inside iron reactor and to increase the equipment availability in SIOP additional reactors provided at IOP to reduce the free acid content in leach liquor supplying to SIOP and carryout the neutralization reaction outside SIOP.
- 2) In digester MOC of stand pipe changed from PVDF to PTFE results in maintenance cost reduction.

PVC

- 1) During the year 17-18, Lower K PVC resin, a special PVC grade campaigning was carried out in all the reactors on several occasions by marching towards the annual Low k resin production 18,000 MT. The Unit surpassed the previous highest of low K resin production.
- 2) One leaky RVC receiver tank was replaced with a spare VCM road tanker after suitable modification to meet plant requirements to avoid plant stoppage and new procurement.

- 3) In New Fluid Bed dryer hot water circulation lines were modified in such a way to use the heating panels of Old Fluid bed dryer.

Cogen Power Plant

In house screening mechanism developed to segregate required size of coal for SR plant Roasters from imported coal of size 0-50 mm received for consumption in Cogen Power Plant. The segregated coal of size 3-8mm is being consumed in our SR plant Roasters as a substitute fuel in place of charcoal

CPVC plant

- 1) CPVC Resin plant & Compounding plant were commissioned successfully and it is the first of its kind in India to manufacture CPVC Resin.
- 2) Both CPVC resin & CPVC compound are well received by Indian customers and have entered the market in a big way.
- 3) Presently two grades of CPVC resin & CPVC compound (Pipe grade & Fitting grade) are being manufactured.

SIOP Plant

- 1) With Leach Liquor from Ore of Indian Origin the quality of Yellow and red pigment found to be good. With Leach liquor from ore of imported origin, the red pigment quality is acceptable in the market.
- 2) Exports made to Huntsman / Venator in paper bags. The red and yellow product certification – CE marking -is complete

III) INFORMATION REGARDING IMPORTED TECHNOLOGY.

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

There was no technology imported in the last 3 years

IV) EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT

Capital - Nil, Recurring - ₹ 59.69 Lakhs

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange earning : ₹ 151.30 crores

Foreign Exchange outgo : ₹ 570.68 crores

ANNEXURE TO DIRECTOR'S REPORT

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

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	<p>The Objectives of Company's CSR Policy are to demonstrate commitment to the common good through responsible business practices and good governance and to set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models. The projects the company has undertaken / proposes to undertake is mainly in eradicating hunger, poverty and malnutrition, promoting preventive health care, promoting education including special education and employment enhancing vocation skills, ensuring environmental sustainability, ecology balance, agro forestry, conservation of natural resources. Ecology balances, protection of natural heritage, art and culture, measures of the benefit of the armed forces, training to promote rural sports etc.</p> <p>The Company's web link to the CSR policy and projects is http://www.dcwlimited.com/PDF/policy/policy.zip</p>
2.	The Composition of the CSR Committee	<p>1 Mr. P. K. Jain : Chairman and Managing Director 2 Mr. Bakul Jain : Managing Director 3 Mr. Krishnamurthy Krishnan: Independent Director</p>
3	Average net profit of the company for last three financial years (Amount in lakhs)	(29.17)
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) (Amount in lakhs)	(0.58)
5.	<p>Details of CSR spent during the financial year.</p> <p>(a) Total amount to be spent for the F.Y.</p> <p>(b) Amount unspent , if any;</p>	<p>Nil</p> <p>N.A.</p>

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

1	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Provision of Food, promotion of preventive health care and sanitation.	Eradicating, hunger, poverty and malnutrition, Promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Govt. for the promotion of sanitation and making available safe drinking water.	Projects and programs were undertaken in the areas around where the Company's manufacturing operations are being carried out i.e. in Sahupuram, Tuticorin District, Tamilnadu and at Dhrangadhra, Surendranagar District, Gujarat. Sahupuram Dhrangadhra		1,01,438/- 6,09,615/-	1,01,438/- 6,09,615/-	Direct Direct
2	promoting education" and "vocational skills" and "livelihood enhancement".	Promoting education, including special education and employment enhancing vocation skills specially among children, women, elderly and the differently abled and livelihood enhancement projects	Sahupuram Dhrangadhra		57,650/- 16,19,658/-	57,650/- 16,19,658/-	Direct Direct

1	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
3	Aid to Orphanage Children home and Old age home.	Promoting Gender equality, empowering women, setting-up homes and hostels for women and orphans; setting-up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Sahupuram Dhrangadhra		43,000/- 62,000/-	43,000/- 62,000/-	Direct Direct
4	Environmental sustainability, ecology balance, animal welfare etc.	Ensuring environmental sustainability, ecology balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water. Including contribution to the Clean Ganga Fund set-up by the Central Govt. for rejuvenation of river Ganga.	Sahupuram Dhrangadhra		19,440/- 14,55,135/-	19,440/- 14,55,135/-	Direct Direct

1	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
5	Protection of old temples of historical importance	Protection of national heritage, art and culture including restoration and buildings and sights of historical importance and works of art; setting-up public libraries; promotion and development of traditional arts and handicrafts.	Sahupuram Dhrangdhra		3,81,875/- 86,850/-	3,81,875 86,850/-	Direct Direct
6	Contribution towards armed forces	Measure for the benefit of armed forces veterans, war widows and their dependents	Sahupuram Dhrangadhra		89,635/- 21,000/-	89,635/- 21,000/-	Direct Direct
7	Donation of sports accessories	Training to promote rural sports, Nationally recognized sports, para Olympic sports and olympic sports.	Sahupuram		36,000/-	36,000/-	Direct
8		Contribution to the Prime Minister's National Relief Fund or any other fund set-up by the Central Govt. for Socio Economic Development and Relief and Welfare of the Scheduled Castes, Scheduled Tribes, Other Backward Classes, Minorities and Women.			-	-	

1	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
9.		Contributions or Funds provided to technology incubators located within academic institutions which are approved by the Central Govt.			-	-	
10	R u r a l Development	Rural Development projects.	Sahapuram		18,86,046/	18,86,046/-	Direct
11		Slum Area Development					
				TOTAL	64,69,342/-	64,69,342/-	

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

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

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

Sd/-
Krishnamurthy Krishnan
Independent Director &
Member of CSR Committee

Place: Mumbai
Date: 29th May, 2018

Form No. MGT-9

Extract of Annual Return

as on the financial year ended on 31st March, 2017

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

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L24110GJ1939PLC000748
2	Registration Date	28th January, 1939
3	Name of the Company	DCW Limited
4	Category/Sub-Category of the Company	Inorganic / Petro Chemicals
5	Whether listed Company (Yes/No)	Yes
6	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Limited, 1st floor, Bharat Tinworks Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400 059 Tel.: 022 – 626368200, Fax No.: 62638299. E-mail : investor@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Caustic Soda	20122	31.56
2	Soda Ash	20122	14.88
3	PVC Resin	24134	50.55

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – NIL

I. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY)
i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year 01.04.2017				No. of shares held at the end of the year 31.03.2018				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	47,850,150	-	47,850,150	21.78	48,547,990	-	48,547,990	21.97	0.19
(b) Central Govt.	-	-	-	0.00	-	-	-	0	0.00
(c) State Govt(s)	-	-	-	0.00	-	-	-	0	0.00
(d) Bodies Corp.	56,236,740	-	56,236,740	25.60	56,236,740	-	56,236,740	25.45	(0.15)
(e) Banks/FI	-	-	-	0.00	-	-	-	0	0.00
(f) Any other	-	-	-	0.00	-	-	-	0	0.00
Sub-total (A)(1):-	104,086,890	-	104,086,890	47.38	104,784,730	-	104,784,730	47.42	(47.38)
(2) Foreign									
(a) NRIs -Individual	-	-	-	0.00	-	-	-	0	0.00
(b) Other-Individual	-	-	-	0.00	-	-	-	0	0.00
(c) Bodies Corp.	-	-	-	0.00	-	-	-	0	0.00
(d) Banks/FI	-	-	-	0.00	-	-	-	0	0.00
(e) Any Other.....	-	-	-	0.00	-	-	-	0	0.00
Sub-total (A) (2):-	-	-	-	0.00	-	-	-	0.00	0.00
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	104,086,890	-	104,086,890	47.38	104,784,730	-	104,784,730	47.42	0.04
B. Public shareholding									
1. Institutions									
(a) Mutual Funds	10,755	10,500	21,255	0.01	10,755	10,500	21,255	0.01	(0.00)
(b) Banks/FI	606,640	18,990	625,630	0.28	1,060,031	12,870	1,072,901	0.49	0.20
(c) Central Govt.	-	-	-	0.00	-	-	-	0	0.00
(d) State Govt.(s)	-	-	-	0.00	-	-	-	0	0.00
(e) Venture Capital Funds	-	-	-	0.00	-	-	-	0	0.00
(f) Insurance Companies	6,679,665	-	6,679,665	3.04	6,679,665	-	6,679,665	3.02	(0.02)
(g) FIs	36,120	-	36,120	0.02	11,500	-	11,500	0.01	(0.01)
(h) Foreign Venture Capital Funds	-	-	-	0.00	-	-	-	0.00	0.00
(i) Others (specify)	-	-	-	0.00	-	-	-	0.00	0.00
(j) Foreign Portfolio Investor	12,852,877	-	12,852,877	5.85	13,061,509	-	13,061,509	5.91	0.06
Foreign Banks	-	42,225	42,225	0.02	-	40,865	40,865	0.02	(0.00)
Sub-total (B) (1):-	20,186,057	71,715	20,257,772	9.22	20,823,460	64,235	20,887,695	9.45	0.23

Category of Shareholders	No. of shares held at the beginning of the year 01.04.2017				No. of shares held at the end of the year 31.03.2018				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2. Non-Institutions								0.00	0.00
(a) Bodies Corp.									
(i) Indian	-	-	-	0.00	-	-	-	0.00	0.00
(ii) Overseas	-	-	-	0.00	-	-	-	0.00	0.00
(b) Individuals	-	-	-	0.00	-	-	-	0.00	0.00
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh.	54,230,783	3,758,741	57,989,524	26.40	55,226,510	3,526,966	58,753,476	26.59	0.19
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	15,545,180	-	15,545,180	7.08	18,215,965	98,250	18,314,215	8.29	1.21
(c) Others (specify)									
NBFC Registered with RBI	143,424	-	143,424		184,168	-	184,168	0.08	0.08
Bodies Corporate	12,340,702	65,375	12,406,077	5.65	14,979,954	65,375	15,045,329	6.81	1.16
Clearing Member	1,890,891	-	1,890,891	0.86	1,505,557	-	1,505,557	0.68	(0.18)
NRI	1,566,289	22,210	1,588,499	0.72	1,477,827	22,210	1,500,037	0.68	(0.04)
OCBs	5,753,250	-	5,753,250	2.62	-	-	-	0.00	(2.62)
Trust	19,900	-	19,900	0.01	12,200	-	12,200	0.01	(0.00)
Sub-total (B) (2):-	91,490,419	3,846,326	95,336,745	43.40	91,602,181	3,712,801	95,314,982	43.13	(0.27)
Total Public shareholding (B) = (B) (1) + (B)(2)	111,676,476	3,918,041	115,594,517	52.62	112,425,641	3,777,036	116,202,677	52.58	(0.04)
C. Shares held by Custodian for GDRs & ADRs.	-	-	-	0.00	-	-	-	0.00	0.00
Grand Total (A + B + C)	215,763,366	3,918,041	219,681,407	100.00	217,210,371	3,777,036	220,987,407	100.00	0.00

ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year				Share Holding at the end of the year				% change in shareholding during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
1	SAHU BROTHERS PRIVATE LIMITED	52459860	0	52459860	23.88	52459860	0	52459860	23.74	-0.14
2	VANDANA JAIN	9467206	0	9467206	4.31	9467206	0	9467206	4.28	-0.03
3	VIVEK JAIN	6643931	0	6643931	3.02	7196931	0	7196931	3.26	0.23
4	USHA P JAIN	4358222	0	4358222	1.98	9433690	0	9433690	4.27	2.28
5	ASHISH JAIN	3611318	0	3611318	1.64	3611318	0	3611318	1.63	-0.01
6	MUDIT JAIN	1301498	0	1301498	0.59	1301498	0	1301498	0.59	0.00
7	PRAMOD KUMAR JAIN	7971968	0	7971968	3.63	1196500	0	1196500	0.54	-3.09
8	DURGAVATI JAIN	3241991	0	3241991	1.48	3241991	0	3241991	1.47	-0.01
10	PREMCHAND JAIN	1920540	0	1920540	0.87	1920540	0	1920540	0.87	-0.01
11	NAMITA P JAIN	1361945	0	1361945	0.62	1361945	0	1361945	0.62	0.00
13	M/S DHRANGADHRA TRADING CO PVT LTD	1280500	0	1280500	0.58	1280500	0	1280500	0.58	0.00
14	SAATVIK JAIN	1618018	0	1618018	0.74	1366018	0	1366018	0.62	-0.12
15	VARSHA JAIN	1144580	0	1144580	0.52	1004579	0	1004579	0.45	-0.07
16	CRESCENT HOLDINGS AND ENTERPRISES PVT LTD	1137000	0	1137000	0.52	1137000	0	1137000	0.51	0.00
18	SAHU CYLINDERS & UDYOG PVT LTD	1103250	0	1103250	0.50	1103250	0	1103250	0.50	0.00
19	BAKUL JAIN	2268972	0	2268972	1.03	2921972	0	2921972	1.32	0.29
20	BAKUL JAIN HUF	170820	0	170820	0.08	170820	0	170820	0.08	0.00
21	SONALIKA JAIN	871941	0	871941	0.40	1050100	0	1050100	0.48	0.08
22	MEETA JAIN	778720	0	778720	0.35	878720	0	878720	0.40	0.04
24	BHARATI JAIN	24250	0	24250	0.01	0	0	0	0.00	-0.01
25	PAULOMI BAKUL JAIN	480085	0	480085	0.22	480085	0	480085	0.22	0.00
26	NEERA JAIN	481	0	481	0.00	481	0	481	0.00	0.00
29	NITISH JAIN	101568	0	101568	0.05	0	0	0	0.00	-0.05
31	SATYAWATI GIANCHAND JAIN	109000	0	109000	0.05	109000	0	109000	0.05	0.00
33	FLORIDA HOLDINGS AND TRADING PVT LTD	185450	0	185450	0.08	185450	0	185450	0.08	0.00
34	RIMA SAATVIK JAIN	59511	0	59511	0.03	11	0	11	0.00	-0.03
35	MALTI BHINDI	50000	0	50000	0.02	50000	0	50000	0.02	0.00
36	SAMARTH JAIN	34000	0	34000	0.02	0	0	0	0.00	-0.02
37	KALPATARU BOTANICAL GARDENS PRIVATE LIMITED	22500	0	22500	0.01	22500	0	22500	0.01	0.00
39	CASHCO HOLDINGS PRIVATE LIMITED	17750	0	17750	0.01	17750	0	17750	0.01	0.00
40	B J HOLDINGS PRIVATE LIMITED	16000	0	16000	0.01	16000	0	16000	0.01	0.00
41	D P B HOLDINGS PRIVATE LIMITED	13500	0	13500	0.01	13500	0	13500	0.01	0.00
42	SHIVANTIKA JAIN	4835	0	4835	0.00	4835	0	4835	0.00	0.00
43	CANVAS SHOE CO. (GOA) PRIVATE LTD.	830	0	830	0.00	830	0	830	0.00	0.00
44	VIKRANT HOLDINGS AND TRADING PVT LTD	100	0	100	0.00	100	0	100	0.00	0.00
45	PRAMOD KUMAR JAIN TRUST BB	0	0	0	0.00	1700000	0	1700000	0.77	0.77
46	ASHISH JAIN HUF	254750	0	254750	0.12	79750	0	79750	0.04	-0.08
		104086890		104086890	47.38	104784730		104784730	47.42	0.04

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

Sl. No.	Name of the Promoter	At the beginning of the year date wise Increase/ Decrease in Promoters share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity etc. At the end of the year					Cumulative Shareholding during the year	
		Beginning of the year	%of total shares of the Company	Increase/ Decrease	Date	Reason	No. of share	%of total shares of the Company
1	Pramod Kumar Jain	7,971,968	3.63	(50,75,468)	22/2/2018	Gift	1,196,500	0.54
				(17,00,000)	22/2/2018	Gift		
2	Usha P. Jain	4,358,222	1.98	50,75,468	22/2/2018	Gift	9,433,690	4.27
3	Pramod Kumar Jain Trust BB	-	0.00	17,00,000	22/2/2018	Gift	17,00,000	0.77
4	Ashish Jain HUF	254,750	0.12	(104,750)	27/10/2017	Sale	79,750	0.44
				(70,250)	31/10/2017			
5	Vivek Jain	6,643,931	3.02	5,53,000	22/5/2017	Conversion of warrants into equity shares	7,196,931	3.26
6	Meeta Jain	778,720	0.35	1,00,000	22/5/2017	Conversion of warrants into equity shares	878,720	0.40
7	Bakul Jain	2,268,972	1.03	6,53,000	4/5/2017	Conversion of warrants into equity shares	2,921,972	1.32
8	Saatvik Jain	1,618,018	0.74	(252,000)	31/10/2017	Sale	1,366,018	0.62
9	Varsha Jain	1,144,580	0.52	(10,000)	19/12/2017	Sale	1,004,579	0.45
				(20,001)	20/12/2017	Sale		
				(40,000)	21/12/2017	Sale		
				(30,000)	22/12/2017	Sale		
				(20,000)	26/12/2017	Sale		
				(10,000)	27/12/2017	Sale		
				(10,000)	5/1/2018	Sale		
10	Sonalika Jain	871,941	0.40	10,256	16/11/2017	Buy	1,050,100	0.48
				40,000	17/11/2017	Buy		
				25,000	21/11/2017	Buy		
				75,000	22/11/2017	Buy		
				27,903	23/11/2017	Buy		
11	Bharti Jain	24,250	0.01	(24,250)	17/5/2017	Sale	-	0.00
12	Nitish Jain	101,568	0.05	(101,568)	26/10/2017	Sale	-	0.00
13	Rima Jain	59,511	0.03	(59,500)	31/10/2017	Sale	11	0.00
14	Samarth Jain	34,000	0.02	(34,000)	16/10/2017	Sale	-	0.00

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

Sl. No.	Name	Shareholding at the beginning of the year 01-04-2017		Cumulative Shareholding end of the year 31-03-2018	
		No. of share	% of total shares of the Company	No. of share	% of total shares of the Company
1	APMS INVESTMENT FUND LTD	9,805,000	4.46	9,805,000	4.44
2	LIFE INSURANCE CORPORATION OF INDIA	6,679,665	3.04	6,679,665	3.02
3	LOTUS GLOBAL INVESTMENTS LTD	3,047,877	1.39	3,047,877	1.38
4	RAJENDRA KUMAR HIRAWAT	1,571,348	0.72	1,411,348	0.64
5	GNANESH VIRENDRA LAKHIA	1,349,037	0.61	1,393,836	0.63
6	PREM LATA HIRAWAT	1,074,133	0.49	974,133	0.44
7	IL AND FS SECURITIES SERVICES LIMITED	524,187	0.24	918,870	0.42
8	MUKUL MAHAVIR PRASAD AGRAWAL	-	0.00	900,000	0.41
9	FOUR DIMENSIONS SECURITIES (INDIA) LIMITED	1,382,000	0.63	770,000	0.35
10	INDIANIVESH SECURITIES LIMITED	12,169	0.01	719,054	0.33

(V) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Name of the Director and Key Managerial Person	At the beginning of the year date wise Increase/ Decrease in Promoters share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity etc. At the end of the year					Cumulative Shareholding during the year	
		No. of share at the beginning of the year	% of total shares of the Company	Increase/ Decrease	Date	Reason	No. of share	% of total shares of the Company
1	Mr. Pramod Kumar Jain	7,971,968	3.63	(50,75,468)	22/2/2018	Gift	1,196,500	0.54
				(17,00,000)	22/2/2018	Gift		
2	Mr. Bakul Jain	2,268,972	1.03	6,53,000	4/5/2017	Conversion of warrants into equity shares	2,921,972	1.32
3	Shri. Mudit Jain	1,301,498	0.59	---	---	---	1,301,498	0.59
4	Vivek Jain	6,643,931	3.02	5,53,000	22/5/2017	Conversion of warrants into equity shares	7,196,931	3.26
5	Mr. Sodhsal Singh Dev of Dhrangadhra*	55,000	0.00	0	---	---	55,000	0.03
6	Mr. Pradip Madhavji**	0	0.00	0	---	---	0	0.00
7	Mr. D. Ganapathy	0	0	0	---	---	0	0
8	Ms. Sujata Ragnekar	0	0	0	---	---	0	0
9	Mr. Salil Kapoor	0	0	0	---	---	0	0
11	Mr. Vimal Jain	0	0	0	---	---	0	0
12	Mr. Jigna Karnick	0	0	0	---	---	0	0

*Shri Sodhsal Singh Dev of Dhrangadhra is holding 55,000 Equity Shares of the Company. He passed away on 17/09/2017

**Shri. Pradip Madavji was appointed as an Additional Director on 13th November, 2017

VI 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	73,052.35	6,412.25		79,464.60
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	73,052.35	6,412.25	-	79,464.60
Change in Indebtedness during the financial year				
- Addition	12,331.64	1,918.00	-	14,249.64
- Reduction	9,840.68	811.59	-	10,652.27
Net Change	2,490.96	1,106.41	-	3,597.37
Indebtedness at the end of the financial year				
i) Principal Amount	75,543.31	7,518.66	-	83,061.97
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	623.91	-	-	-
Total (i + ii + iii)	76,167.22	7,518.66	-	83,061.97

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Shri. Pramod Kumar Jain	Shri. Bakul Jain	Shri. Vivek Jain	Shri. Mudit Jain	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,760,868	1,760,868	1,760,868	1,760,868	7,043,472
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	39,600	39,600	39,600	158,400
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit					
	- others, specify...					
5	Others, please specify	-	-	-	-	-
	Total (A)	1,800,468	1,800,468	1,800,468	1,800,468	7,201,872
	Ceiling as per the Act					

B. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Shri. Sodhsal Singh Dev of Dhrangadhra	Shri. D Ganapathy	Smt. Sujata Ranganeekar	Shri. Salil Kapoor	Shri. Pradip Madhavji	
1	Independent Directors						
	Fee for attending board committee meetings	40,000	80,000	70,000	20,000	25,000	235,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	40,000	80,000	70,000	20,000	25,000	235,000
2	Other Non-Executive Directors	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1 + 2)	40,000	80,000	70,000	20,000	25,000	235,000
	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			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	1,107,160	4,738,890	5,846,050
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	589,356	589,356
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	0	1107160	5328246	6435406

VIII 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					

ANNEXURE TO DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE

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

The Company believes in the practice of good Corporate Governance. A continuous process of delegation of powers commensurate with accountability coupled with trust, faith and transparency has been embedded in the day to day functioning. The Company will endeavor to improve on these aspects on an ongoing basis.

2. Board of Directors:-

Size of the Board

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

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

Category of Directorship	Name of the Director	Attendance Particulars at the		Other Directorships **	Other Committee	
		Board Meetings	Last AGM		Memberships	Chairman ships
Promoter/ Executive Directors	Shri Pramod Kumar Jain (Chairman and Managing Director) (DIN No. 00380458)	5	YES	NIL	NIL	NIL
	Shri Bakul Jain (Managing Director) (DIN No. 00380256)	4	NO	4	2	2
	Shri. Mudit Jain (Managing Director) (DIN No. 00647298)	5	NO	1	NIL	NIL
	Shri Vivek Jain (Managing Director) (DIN No. 00502027)	3	NO	1	NIL	NIL
Non Executive and Independent Directors	Shri Salil Kapoor (Din No. : 02256540)	1	NO	NIL	NIL	NIL
	*Shri Sodhsal Singh Dev of Dhrangadhra (Din No. : 00682550)	2	YES	NIL	NIL	NIL
	Ms Sujata Rangnekar (Din No. : 06425371)	4	NO	NIL	NIL	NIL
	***Shri D. Ganapathy (Din No. : 02707898)	5	YES	NIL	NIL	NIL
	****Shri. Pradip Madhavji (Din No. : 00272161)	2	NO	1	NIL	NIL
	*****Shri. Krishnamoorthy Krishnan	1	NO	NIL	NIL	NIL

*Shri Sodhsal Singh Dev of Dhrangadhra is holding 55,000 Equity Shares of the Company. He passed away on 17/09/2017

** Excludes Directorship in Private Companies, Foreign Companies and Companies governed by section 8 of the Companies Act, 2013 .

*** Shri D. Ganapathy resigned as on 7th May, 2018.

****Shri Pradip Madavji was appointed as an Additional Director on 13th November, 2017

*****Shri Krishnamorthy Kirshnan was appointed as an Additional Director on 22nd May, 2018.

The Company placed before the Board all relevant information from time to time including information as specified in Part 'A' of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

During the financial year 5 (Five) Board Meetings were held on:

30.05.2017, 14.08.2017, 21.09.2017, 13.11.2017, and 09.02.2018

Committees.

The Board has constituted following committees :

3. Audit Committee

Terms of Reference :

The terms of reference of this Committee cover the matters as specified for Audit Committees under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. and also as per the provisions of Section 177 of the Companies Act, 2013

Composition, name of Members and Chairperson:

The Audit Committee met four(4) times during the year on May 30, 2017, August 14, 2017, November 13, 2017 and February 9, 2018 and the gap between two meetings does not exceed one hundred twenty days. The necessary quorum was present for all the meetings.

Name of Director	Category	No. of Meetings during the Financial year 2017-18	
		Held	Attended
Shri Sodhsal Singh Dev of Dhrangadhra*	Chairman (Non-Executive and Independent Director)	4	2
Shri D. Ganapathy	Non-Executive Independent Director	4	4
Ms. Sujata Rangnekar***	Non-Executive Independent Director	4	4
Mr. Pradip Madhav Ji**	Non-Executive Independent Director	4	2

* Shri Sodhsal Singh Dev of Dhrangadhra, Chairman of the Committee passed away on 17th September, 2017.

** Shri Pradip Madhav Ji, was appointed as Member of the Committee on 13th November, 2017.

*** Ms. Sujata Rangnekar, was appointed as Chairperson of the Committee on 13th November, 2017.

4. Nomination and Remuneration Committee:

Terms of Reference:

The terms of reference of this Committee cover the matters as specified for Nomination and Remuneration Committees under Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition, Name of Members and Chairperson:

Nomination and Remuneration Committee comprises 3 Non-Executive Independent Directors. Ms. Sujata Rangnekar is the Chairperson of this Committee, Shri Pradip Madhav Ji and Shri Krishnamoorthy Krishnan are the other members of the Committee.

Meeting and Attendance:

During the year two meetings were held and attendance of the members at that meeting were as follows:

Dates of Meetings	Ms. Sujata Rangnekar	Shri Sodhsal Singh Dev of Dhrangadhra	Shri D. Ganapathy	Shri Pradip Madhav Ji
30.05.2017	Yes	Yes	Yes	-
09.02.2018	Yes	-	Yes	Yes

Performance Evaluation Criteria for Independent Directors.

The criteria for performance evaluation of the Independent Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. Remuneration of Directors :

The Non-Executive Directors are paid sitting fees for the meetings of the Board and its Committees attended by them.

The Company also reimburses them the expenses incurred for travel and accommodation for attending the meetings of the Board/committees. Non-Executive Directors are entitled for commission aggregating not more than 1% of the net profits of the Company in a financial year subject to a maximum of ₹ 3,00,000/- per Director as approved by the members of the Company at the Extra-ordinary General Meeting held on December 19, 2013. Besides the above there are no other pecuniary relationship or transactions between the Company and Non-Executive Directors.

Details of the Remuneration paid to the Directors for the financial year 2017-18 is given below:

Directors	Salary (₹)	Benefits (₹)	Contri. to PF & Other Funds (₹)	Commission (₹)	Sitting Fees (₹)	Total (₹)
Shri Pramod Kumar Jain	1760868	-	264834	-	-	2025702
Shri Bakul Jain	1760868	-	264834	-	-	2025702
Shri Mudit Jain	1760868	-	264834	-	-	2025702
Shri Vivek Jain	1760868	-	264834	-	-	2025702
Shri Sodhsal Singh Dev of Dhrangadhra	-	-	-	-	40000	40000
Shri Salil Kapoor	-	-	-	-	20000	20000
Ms. Sujata Rangnekar	-	-	-	-	70000	70000
Shri D. Ganapathy	-	-	-	-	80000	80000
Mr. Pradip Madhav Ji	-	-	-	-	25000	25000

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

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

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

No severance fee is payable on termination of appointment.

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

5. Stakeholders Relationship committee:

Shri. Krishnamoorthy Krishnan, Independent Director is the Chairman of the Stakeholders Relationship Committee.

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

There were 34 complaints received from the shareholders during the year. 35 complaints were resolved including 1 complaint which was outstanding as on 31.03.2017.

6. Risk Management Committee

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

7. Independent Directors Meeting:

During the year under Review, the Independent Directors met on 9th February, 2018 *inert alia*, to discuss:

- Evaluation of the Performance of the Board as a whole ;
- Evaluation of the Performance of the Non – Independent Executive Directors and the Board Chairman.

To 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. All the Independent Directors except Mr. Salil Kapoor were Present at the Meeting.

The performance of Independent Director was done by the Board of Directors.

8. Familiarisation program for Independent Directors:

The Board Members are provided with necessary documents /Brochures and reports to enable them to familiarize with the Company procedure and practices. Periodic Presentations are made at the Board and Board Committee Meetings on Business and Performance updates of the Company, Business strategy and risk involved

Web link where details of familiarisation program imparted to independent directors is disclosed.

http://www.dcwlimited.com/PDF/Corporate_Governance/Corporate_Governance.zip

9. CEO / CFO Certification

Mr. P. K. Jain, Chairman & Managing Director and Mr. Vimal Jain, Chief Financial Officer have certified to the Board in accordance with Regulation 17 (8) of SEBI (Listing Obligation and Disclosures) Regulations, 2015, pertaining to CEO /CFO certification for the financial year ended 31st March, 2018.

10. Prevention of Insider Trading Code:

The Company has adopted a Code of Conduct to Regulate, Monitor and report Trading by Insiders and Code of Practices and Procedures for fair Disclosures of Unpublished Price Sensitive Information in terms of Regulations 8 (1), 9(1) & 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

All the Directors, Employees at Senior Management Level and other Employees who could have access to Unpublished Price Sensitive Information of the Company are governed by this Code.

11. Risk Management:

A detailed review of Business Risk and the Company's Plan to mitigate them is presented to the Audit Committee and Board. The Board has been taking steps to mitigate foreseeable Business Risk. Business Risk evaluation and management is an ongoing and continuous process within the Company and regularly updated to the Audit Committee and Board.

12. General Body Meetings

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

Year	Location	Date	Time	No. of Special Resolutions Passed
2014-15	Dhrangadhra, Gujarat	27.08.2015	10.00 a.m.	1
2015-16	Dhrangadhra, Gujarat	29.09.2016	10.00 a.m.	2
2016-17	Dhrangadhra, Gujarat	28.09.2017	10.00 a.m.	2

ii. No Special Resolution has been passed last year through postal ballot.

iii. No Special Resolution is proposed to be conducted through postal ballot.

13. Means of Communication

Quarterly Results : The Company's quarterly results are published in 'Financial Express'/Business Standards' in all editions including the Gujarat Edison published from Ahmedabad and also are displayed on its website (www.dcwlimited.com). Official news releases, if any, are also displayed on web site.

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

General Shareholders information

ANNUAL GENERAL MEETING:

Day & Date	:	27th September, 2018
Time	:	10.00 A.M.
Venue	:	at the Registered Office (at Guest House No.2), Dhrangadhra, Gujarat - 363 315
Financial year	:	April 2017 - March 2018
Date of Book closure	:	21st September, 2018 till 27th September, 2018. (both days inclusive)
Dividend Payment Date	:	No Dividend is paid for the year.
Listing on Stock Exchanges	:	

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

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

Stock Code : 500117 (BSE)
DCW (NSE)

Demat ISIN Nos. : INE 500A01029 (Fully Paid)

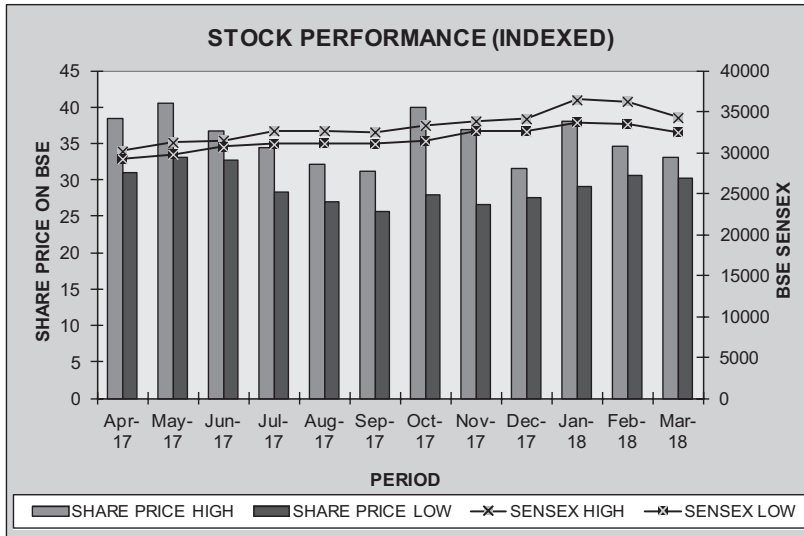
Market price data :

High / Low During each month in last Financial year :

Month / Year	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2017	33.7	30.8	38.65	30.85
May, 2017	40.55	33.1	40.75	33.05
June, 2017	36.8	32.65	36.75	32.80
July, 2017	43.2	29.95	43.20	33
August, 2017	37.15	29.1	37.25	29.90
September, 2017	41.35	33.05	41.30	33.15
October, 2017	55.45	34.3	55.35	34.25
November, 2017	52.75	37	52.85	37
December, 2017	43.5	37.95	43.95	38
January, 2018	48.3	39	48.35	39.25
February, 2018	40.85	35.25	40.75	35.35
March, 2018	37.8	29.4	37.85	29.40

Stock Performance (Indexed) :

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



Registrar and Share Transfer Agents:

The Company has appointed Bigshare Services Pvt. Ltd., 1st floor, Bharat Tinworks Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400 059 as Registrars and Share Transfer Agents of the Company.

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

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

Distribution of Shareholding as on 31.03.2018 :-

Range	No. of Shareholders	% of Shareholders	Total No. of Shares held	% of Total Capital
1 - 5000	55292	91.4704	25955406	11.7452
5001 - 1000	2728	4.5130	10512191	4.7569
10001 - 20000	1280	2.1175	9938777	4.4974
20001 - 30000	364	0.6022	4624257	2.0925
30001 - 40000	226	0.3739	4132728	1.8701
40001 - 50000	128	0.2118	3004151	1.3594
50001 - 100000	202	0.3342	7231105	3.2722
100001 - above	228	0.3772	155588792	70.4062
Total	60448	100	220987407	100

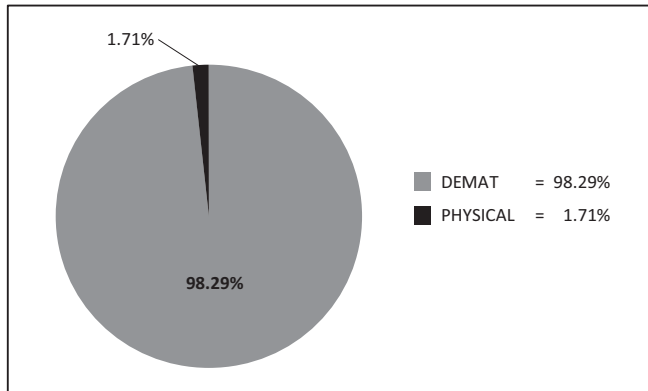
SHAREHOLDING PATTERN OF DCW LTD AS ON 31/03/2018

CATEGORY	NUMBER OF SHARES	% OF HOLDING
A. PROMOTER AND PROMOTER GROUP		
Individuals/Hindu undivided Family	48547990	21.97
Bodies Corporate	56236740	25.45
TOTAL	104784730	47.42
B. PUBLIC SHAREHOLDER		
I Institution		
Mutual Funds	21255	0.01
Foreign Portfolio Investor	13061509	5.91
Financial Institutions/ Banks	1072901	0.49
Insurance Companies	6679665	3.02
Others		
FII's	11500	0.01
Foreign Financial Institution/Banks	40865	0.02
Sub-Total B(I)	20887695	9.45
II Central Government/ State Government(s)/ President of India	0	0
Sub-Total B(II)	0	0
III. Non-institutions		
Individuals -	63231726	28.61
i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.		
Individuals -	13835965	6.26
ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.		
NBFCs registered with RBI	184168	0.08
Others		
Bodies Corporate	15045329	6.83
Clearing Members	1505557	0.84
NRI – Non- Repat	1500037	0.30
Trusts	12200	0.00
Sub-Total B(III)	95314982	43.13
Total Public Shareholding (B) = (B)(I) + (B)(II) + (B)(III)	116202677	52.58
Total (A + B)	220987407	100

Dematerialisation of shares: 217,210371 Equity shares held by 54,686 Shareholders comprising 98.29% of the paid up Share Capital have been dematerialised as on 31st March, 2018.

Bifurcation of the category of shares in physical and Electronic mode as on 31st March, 2018 is given below:

Category	No. of Shareholders	No. of shares	Percentage %
PHYSICAL	5762	3777036	1.71
NSDL	30665	142048948	64.28
CDSL	24021	75161423	34.01
TOTAL	60448	220987407	100.00



For queries on Annual Report: legal@dcwlimited.com

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

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

There are no further outstanding instruments, which are convertible into equity in the future.

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

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

Share Transfers and other : Bigshare Services Pvt. Ltd.,

Communications may be Addressed : Unit DCW Ltd., 1st Floor, Bharat Tinworks Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059. Tel.: 91- 22 – 62638200 Fax.: 91-22-62638299
Email : investor@bigshareonline.com

Investors' complaints may be Addressed to : Dy. Company Secretary DCW Limited, Nirmal, 3rd floor, Nariman Point, Mumbai – 400 021

- **Share Transfer :**

217210371 of Equity Shares of the Company are in Electronic forms. Transfer of these Shares is done through Depositories with no involvement of the Company. As regards, the Transfer of Shares held in Physical form, the Transfer Deeds can be lodged with the Registrar and Share Transfer Agent at the Address Mentioned above and the Company processes the Transfers with the prescribed time limit.

14. Other Disclosures

1. Disclosures on materially Significant Related Party Transaction that may have potential Conflicts with the interests of Listed Entity at large;

During the year, there were no materially significant related party transactions that may have potential conflict with the interest of the Company at large, Suitable Disclosures as required by the Indian Accounting Standard (Ind AS-24) has been made in the notes to the Financial Statements

Web-link where policy for determining 'material' subsidiaries is disclosed;

<http://www.dcwlimited.com/PDF/policy/policy.zip>

2. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority , on any matter related to capital markets, during the last three years;

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

3. Vigil Mechanism / Whistle Blower Policy

In terms of the provisions of Section 177 (9) & (10) of the Companies Act, 2013 company has established a Vigil Mechanism for Directors and employees to report genuine concerns about unethical behaviour of suspected fraud or violation of the Company's Code of Conduct by Directors / employees. The Audit Committee oversees the Vigil Mechanism. Vigil Mechanism has been disclosed by the Company on its website. It is affirmed that no personnel has been denied access to the Audit Committee during the financial year 2017-18.

4. Details of compliance with Mandatory requirements and adoption of non mandatory requirements.

During the financial year 2017-18, the Company has complied with all mandatory requirements as specified in the SEBI Listing Regulations. The Company has adopted the below specified non-mandatory requirements in terms of Regulations 27(1) of SEBI Listing Regulations:

- i. Modified Opinion in Audit Report

During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statements. The Company continues to adopt best practices to ensure a regime of financial statements with unmodified audit opinion.

- ii. Reporting of Internal Auditor

The Company has appointed qualified Chartered Accountants firm as Internal Auditors to do Internal Audit of its Head Office, Works and other offices of the Company. Internal Auditor reports directly to the Audit Committee of the Board.

5. Web-link where policy for determining 'material' subsidiaries is disclosed;

<http://www.dcwlimited.com/PDF/policy/policy.zip>

6. Web-link where policy on dealing with related party transactions;

<http://www.dcwlimited.com/PDF/policy/policy.zip>

7. Disclosure of commodity price risks and commodity hedging activities.

The Company is exposed to commodity price on coal. To overcome commodity Risk, company generally enters into Supply Agreement for supply of coal over a period of 6-9 months wherein commodity price risk is to Supplier's account. The Company also is exposed to Foreign Exchange risk on import of raw material like VCM, Coal etc. Company does hedging transactions generally by way of Forward Contract/derivatives on actual user basis.

15. Compliance:

The Company is in full compliance with all the requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the listing regulations.

CEO / CFO Compliance Certificate

The Board of Directors DCW Limited Nirmal 3rd Floor, Nariman Point, Mumbai – 400021. INDIA

Re: CEO / CFO Certificate We, Shri P. K. Jain, Chairman & Managing Director and Shri Vimal Jain, Chief Financial Officer do hereby certify the following:-



- a) We have reviewed the standalone Financial Statements and Cash flow statements for the year ended 31st March, 2018 and that to the best of our knowledge and belief:
 - i) these statement do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading;
 - ii) these statements together presents a True and fair view of the Company's affairs and are in Compliance with existing Accounting Standards, applicable laws and regulations.
- b) There are, to the Best of our Knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2018, which are fraudulent, illegal or violative of the Company's Code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operations of such internal controls, if any, of which they are aware and the steps they have taken or proposes to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit committee,
 - i) Significant changes in Internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai

Sd/-

Sd/-

Date:29 /5/2018

Chairman & Managing Director

Chief Financial Officer

DECLARATION ON COMPLIANCE WITH THE COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

I, hereby, confirm and declare that in terms of Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board members and Senior Management Personnel of the company have affirmed compliance with the "Code of Conduct for the Board of Directors and the Senior Management Personnel", for the financial year 2017-18.

Shri P. K. Jain
Chairman & Managing Director

Compliance Certificate on Corporate Governance Report

To The Members of,

DCW LIMITED
DHRANGADHRA - 363 315
GUJARAT

We have examined the compliance of conditions of Corporate Governance by **DCW LIMITED** for the year ended on **31st March, 2018**.

We certify that the Company has complied with the condition of Corporate Governance as stipulated in Regulation 17 to 27 and clause (b) and (i) of Regulation 46 and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations)

Managements Responsibility

The Compliance of conditions of Corporate Governance is responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring Compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clause (b) and (i) of Regulation 46 and Para C and D of Schedule V of the Listing Regulations during the year ended **March 31, 2018**.

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.

Restriction on Use

The certification is addressed to and provided to the members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations, and should not be used by any other person of for any other purpose. Accordingly, we do not accept of assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For S. K. JAIN & CO.
Practicing Company Secretary

(Dr. S. K. JAIN)
Proprietor
C.P. No. 3076

Place: Mumbai
Date: 29/5/2018



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DCW LIMITED

1. Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of DCW Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

5. Emphasis of Matter

5.1 We draw attention to Note No. 31 to the financial statements which describes the uncertainty related to the outcome of the petitions/appeals filed by the company in the matter of:

- a. electricity tax demand of ₹ 5346.66 lakhs on captive power generated and other matters during the period 2003 to 2012;

- b. custom duty demand of ₹ 6139.98 lakhs of coal imported and other matters by the company during 2011 and 2012; and
- c. Execution of assignment deeds of the lands at Sahupuram works in respect of which the state government has issued notice of repossession and demanded lease rent for the period occupied by the company. The land is treated as freehold.

No provision has been made for the aforesaid demands in view of the factors stated in the said note.

- 5.2 The Trade receivables, Trade payables and other Receivable, Advances and Payables are reconciled to the extent third party confirmations received. In cases where the confirmations have either not received or called for are subject to the confirmation and reconciliation (Refer Note No 32).

Our opinion is not modified in respect of these matters.

6. Report on Other Legal and Regulatory Requirements

- 6.1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 6.2 As required by Section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note No 31 of the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note No 35 of the financial statements.
 - iii. There was no delay in transferring amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

For CHHAJED & DOSHI
Chartered Accountants
[Firm Reg. No.101794W]

CA. Nitesh Jain
Partner
M. No. 136169

Place: Mumbai
Date: 29th May 2018

ANNEXURE "A" TO AUDITOR'S REPORT

Annexure referred to in our report of even date to the members of DCW Limited on the accounts for the year ended 31st March 2018

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation in respect of material Fixed Assets. The fixed Asset register is maintained manually and is in process of integrating with the financial accounting system.
- (b) We have been informed that the fixed assets were physically verified by the Management during the previous financial year. There was no physical verification carried out during the year. In our opinion the frequency of verification is reasonable. As per the information given to us by the management, no material discrepancies as compared to book records were noticed in respect of the fixed assets verified during the previous financial year.
- (c) In our opinion and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company except in case of certain lands and buildings referred to in Note 2, 31 and 36.
- ii. The inventories of finished goods (except goods in-transit), stores, spare parts and raw materials have been physically verified by the management with the help of external agencies. The stock lying with third party has not been physically verified and is subject to confirmation from the custodian of said stock at the year end. In our opinion, the frequency of physical verification is reasonable except in case of stock lying at third party locations. We have been informed by the management that the discrepancies noticed on verification between the physical stocks and the book stocks are not material considering the type of material, which is calculated on volumetric basis and therefore subject to measurement differences by different agencies and therefore no adjustments have been made in the books of account.
- iii. According to the information and explanations given to us, the company has not granted any loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. The company has not granted any loans, guarantees or security and has not made investments to which the provisions of section 185 and 186 of the Companies Act, 2013 apply.
- v. In our opinion and according to the information and explanations and representation made by the management, the amounts received as business advances and inter corporate deposits are not considered as deposits received from the public during the year.
- vi. The Central Government has prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of certain products manufactured by the Company. We have broadly reviewed the records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
- vii. (a) According to the records maintained by the company, the company during the year has delayed in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods and Services Tax, Cess and other statutory dues with appropriate authorities.
According to the information and explanations given to us, no undisputed amounts in respect of the aforesaid statutory dues were in arrears, as at 31st March, 2018, for a period of more than six months from the date they became payable except provident fund amounting to ₹ 132.25 lacs which are in arrears for more than six months from the due date, as at 31st March, 2018.
- (b) According to the information and explanations given to us and the records of the company, the dues of sales tax/ value added tax / customs duty / service tax / excise duty / Cess, which have not been deposited on account of dispute, are as follows:

(Amount in ₹ lacs)

Name of the Statute / Nature of Dues	Period	Forum where dispute is pending				
		Supreme Court	High Court	Appel-late Tribunal*	Appellate Authority **	Grand Total
Customs Act, 1962 (Custom Duty Including Penalty & Interest, wherever applicable)	1997 to 2017	-	95.79	5,866.77	84.14	6,046.70
Central Excise Act, 1944 (Excise Duty Including Penalty & Interest, wherever applicable)	1997 to 2015	-	11.57	287.89	-	299.46
Sales Tax legislations (sales tax, including penalty & interest wherever applicable)	1982 to 2017	-	4,829.74	371.42	1,126.61	6,327.77
Service Tax	2005 to 2015	-	48.80	66.80	-	115.60
Local cess, local cess surcharge [land revenue including penalty and interest wherever applicable]	1989 to 2017	5,114.70	4,543.63	65.13	561.01	10,284.47
GRAND TOTAL		5,114.70	9,529.53	6,658.01	1,771.76	23,074.00

* Appellate Tribunal includes STAT, CESTAT & ITAT

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

- viii. On the basis of verification of records and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Banks/Financial Institutions. The company has not taken any loan from any Government or by way of issue of debentures.
- ix. According to the information and explanations given to us and the records of the company, the company has not raised money by way of initial public offer or further public offer during the year. During the year the Company has raised fresh term loans, which was utilised for purpose of working capital needs of the Company.
- x. According to the information and explanations given to us and based on audit procedures performed and representations obtained from the management, we report that no fraud on the Company by its officers or employees or by the company has been noticed by the management or reported during the year under audit.
- xi. According to the information and explanations given to us and based on verification of records, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence clause (xii) of the order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, and considering the approval of the Central Government in respect of payment of remuneration to relatives of Directors and approval of the Audit Committee, the company has complied with provisions of section 177 and 188 of Companies Act, 2013 with respect to related party transactions entered in to during the year under review and the details have been disclosed in the Financial Statements etc., as required under Ind AS 24.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, except, certain warrants which were issued on preferential basis on 27th August 2015, has been converted into equity shares during the year in accordance with the terms of said warrants.
- xv. According to the information and explanations given to us and based on verification of records, the company has not entered into any non-cash transactions with directors or persons connected with them.
- xvi. According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For CHHAJED & DOSHI
Chartered Accountants
[Firm Reg. No.101794W]

CA. Nitesh Jain
Partner

M. No. 136169

Place: Mumbai

Date: 29th May 2018



ANNEXURE “B” TO AUDITOR’S REPORT

Annexure referred to in our report of even date to the members of DCW Limited on the accounts for the year ended 31st March 2018

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

1. Report on the Internal Financial Controls

We have audited the internal financial controls over financial reporting of DCW Limited as at 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

2. Management’s Responsibility for Internal Financial Controls

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

3. Auditors’ Responsibility

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

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

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

4. Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in

accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

5. Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For CHHAJED & DOSHI
Chartered Accountants
[Firm Reg. No.101794W]

CA. Nitesh Jain
Partner
M. No. 136169

Place: Mumbai
Date: 29th May 2018



BALANCE SHEET AS AT 31ST MARCH 2018

		₹ in Lakhs	
	Note No	As At 31-Mar-18	As At 31-Mar-17
ASSETS			
1. Non-Current Assets			
a) Plant, Property & Equipment	2	1,47,112.61	1,53,115.37
b) Capital Work in Progress		12,359.64	12,181.06
c) Financial Assets			
i) Investments	3	0.96	0.96
ii) Loans & Advances	4	595.05	511.20
d) Other Non-Current Assets	5	71.13	950.57
Total Non-Current Assets		1,60,139.39	1,66,759.16
2. Current Assets			
a) Inventories	6	15,706.34	13,517.91
b) Financial Assets			
i) Trade Receivables	7	8,620.31	8,045.53
ii) Cash & Cash Equivalents	8	355.01	157.76
iii) Bank Balances Other Than Above	9	32.12	1.80
iv) Loans & Advances	10	2,621.84	4,837.50
c) Current Tax Assets (Net)		-	51.05
d) Other Current Assets	11	2,891.03	1,854.38
Total Current Assets		30,226.65	28,465.93
Total Assets		1,90,366.04	1,95,225.09
EQUITY & LIABILITIES			
A. Equity			
a) Equity Share Capital	12	4,419.75	4,393.64
b) Other Equity	13	59,090.93	61,079.67
Total Equity		63,510.68	65,473.31
B. Liabilities			
1. Non-Current Liabilities			
a) Financial Liabilities			
Long-Term Borrowings	14	47,875.40	47,998.82
b) Provisions	15	1,536.80	1,250.33
c) Deferred Tax Liabilities (Net)	16	8,360.43	11,339.77
d) Other Non-Current Liabilities	17	2,944.74	3,830.61
Total Non Current Liabilities		60,717.37	64,419.53
2. Current Liabilities			
a) Financial Liabilities			
i) Short-Term Borrowings	18	21,168.54	18,126.61
ii) Trade Payables	19	17,382.40	27,128.02
iii) Other Financial Liabilities	20	18,473.05	15,919.74
b) Other Current Liabilities	21	9,043.10	4,157.88
c) Current Tax Liabilities (Net)		70.90	-
Total Current Liabilities		66,137.99	65,332.25
Total Equity & Liabilities		1,90,366.04	1,95,225.09

Significant Accounting Policies and
Notes forming part of the Financial Statements

1 to 44

As per our Report attached.

For Chhajed & Doshi
Chartered Accountants
FRN NO 101794W

Nitish Jain
Partner
Membership No 136169
Place: Mumbai
Date : 29th May, 2018

For and on behalf of the Board

Pramod Kumar Jain
Chairman & Managing Director
DIN 00380458

Jigna Karnick
Dy. Company Secretary
CS NO 24140

Bakul Jain (DIN: 00380256)
Vivek Jain (DIN: 00502027)
Mudit Jain (DIN: 00647298)
Managing Directors

Vimal Jain
Chief Financial Officer

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2018



₹ in Lakhs

	Note No	For the year ended 31-Mar-18	For the year ended 31-Mar-17
1. REVENUE			
a) Revenue From Operations	22	1,21,340.71	1,30,491.45
b) Other Income	23	617.11	532.84
Total Income		1,21,957.82	1,31,024.29
2. EXPENSES			
a) Cost of Raw Materials Consumed	24	58,311.74	60,243.97
b) Purchases of Stock-in-Trade	25	26.61	62.80
c) Change in Inventories of Finished Goods, Stock-in-Trade and Work-in-Process	26	1,373.67	(1,119.33)
d) Excise Duty		2,598.90	12,911.50
e) Employee Benefits Expense	27	11,467.80	10,216.35
f) Finance Costs	28	9,319.94	5,657.54
g) Depreciation Expenses	2	8,779.94	6,792.91
h) Other Expenses	29	34,988.40	33,757.25
Total Expenses		1,26,867.00	1,28,522.99
Profit / (Loss) Before Tax		(4,909.18)	2,501.30
TAX EXPENSES			
Current Tax		-	485.00
MAT Credit		-	(475.00)
Deferred Tax		(2,889.02)	461.57
Tax For Earlier Years		-	15.00
Total Tax Expenses		(2,889.02)	486.57
Profit / (Loss) After Tax		(2,020.16)	2,014.73
OTHER COMPREHENSIVE INCOME	30		
A. (i) Items that will not be reclassified to profit or loss		(258.06)	(18.99)
(ii) Tax on items that will not be reclassified to profit or loss		90.32	6.57
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) Tax on items that will be reclassified to profit or loss		-	-
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		(167.74)	(12.42)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		(2,187.90)	2,002.31
Earnings Per Equity Share			
(1) Basic & Diluted Earnings Per Share (Face Value of Equity Share ₹ 2/- each)		(0.99)	0.91

Significant Accounting Policies and Notes forming part of Financial Statements

1 to 44

As per our Report attached.
For Chhajed & Doshi
Chartered Accountants
FRN NO 101794W

For and on behalf of the Board
Pramod Kumar Jain
Chairman & Managing Director
DIN 00380458

Bakul Jain (DIN: 00380256)
Vivek Jain (DIN: 00502027)
Mudit Jain (DIN: 00647298)
Managing Directors

Nitesh Jain
Partner
Membership No 136169
Place: Mumbai
Date : 29th May, 2018

Jigna Karnick
Dy. Company Secretary
CS NO 24140

Vimal Jain
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

₹ in lakhs

Particulars	2017-18		2016-17	
A. Cash flow from Operating Activities				
Net profit before tax		(4,909.18)		2,501.34
Adjustments for : Non cash Items				
Depreciation and amortisation expense	8,779.94		6,792.91	
Unrealized Exchange Loss / (Gain)	1,059.64		(430.36)	
Finance Costs	9,319.94		5,657.54	
Interest income	(154.65)		(166.02)	
(Profit) / Loss on Sale of Asset (NET)	17.23		285.82	
Income Recognized Against Capital Grant	(69.28)		(72.85)	
Provisions made/(written back) during current year	28.41		(77.01)	
Unclaimed balances written back	(279.26)	18,701.98	(30.69)	11,959.34
Operating profit before working capital changes		13,792.80		14,460.68
Adjustments for : Working Capital				
Trade and other receivables	(212.36)		(429.70)	
Long term loans & advances	(83.85)		(57.83)	
Inventories	(2,188.43)		3,278.04	
Trade and other payables	(4,639.36)	(7,123.99)	5,428.54	8,219.05
Cash generation from operations		6,668.81		22,679.73
Unrealized Exchange (Loss) / Gain		(1,059.64)		430.36
Direct taxes paid (Net off Refund)		121.95		(839.29)
Net cash flow from operating activities		5,731.11		22,270.80
B. Cash flow from Investing Activities				
Purchase of fixed Assets	(2,044.35)		(9,674.81)	
Sale of Fixed Assets	18.82		13.73	
(Purchase) / Sales of Investments	-		4.14	
Investment in Fixed Deposits margin money	(30.32)		0.03	
Advance received for property sale	558.00		-	
Interest income	154.65		166.02	
Net cash used in investing activities		(1,343.20)		(9,490.88)
C. Cash flow from Financing Activities				
Proceeds from issue of share capital	225.27		-	
Proceeds from Long-Term Borrowings	12,453.66		3,000.00	
Repayment of Long Term Borrowings	(11,086.70)		(10,823.57)	
Short Term Borrowings (Net)	2,852.39		53.86	
Dividends paid	(12.95)		(11.25)	
Finance Costs	(8,811.86)		(5,039.28)	
Net cash used in financing activities		(4,380.19)		(12,820.24)
Net increase / (Decrease) in Cash and Cash equivalents		7.72		(40.33)
Opening Cash and Cash Equivalents		135.80		176.13
Closing Cash and Cash Equivalents		143.52		135.80
		(7.72)		40.33

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018



₹ in lakhs

Particulars	2017-18	2016-17
Breakup of Opening Cash and Cash Equivalents		
Balances with Banks		
In Current Accounts	142.58	158.49
Cheques on Hand	0.06	0.06
Cash on Hand	15.12	17.59
Total	157.76	176.14
Less: Debit Balance in Overdraft A/c	(21.96)	-
Cash and Cash Equivalents	135.80	176.14
Breakup of Closing Cash and Cash Equivalents		
Balances with Banks		
In Current Accounts	331.39	142.58
Cheques on Hand	-	0.06
Cash on Hand	23.62	15.12
Total	355.01	157.76
Less: Debit Balance in Overdraft A/c	(211.50)	(21.96)
Cash and Cash Equivalents	143.52	135.80

Notes:

- 1) The Cash Flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS) 7 on cash flow statement & presents cash flow by operating, investing & financing activities.
- 2) Figures in the Bracket are outflows / deductions.
- 3) Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current presentation.
- 4) The Cash Credit facilities availed from bank are part of financing activity which do not form part of cash and cash equivalents for the cash flow statement purpose.

As per our Report attached.

For Chhajer & Doshi
Chartered Accountants
FRN NO 101794W

Nitesh Jain
Partner
Membership No 136169
Place: Mumbai
Date : 29th May, 2018

For and on behalf of the Board

Pramod Kumar Jain
Chairman & Managing Director
DIN 00380458

Jigna Karnick
Dy. Company Secretary
CS NO 24140

Bakul Jain (DIN: 00380256)
Vivek Jain (DIN: 00502027)
Mudit Jain (DIN: 00647298)
Managing Directors

Vimal Jain
Chief Financial Officer



**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018**

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

A. Equity Share Capital

₹ in Lakhs

	Opening balance	Changes during the year	Closing balance
As at 31st March 2018	4,393.64	26.11	4,419.75
As at 31st March 2017	4,393.64	-	4,393.64

B. Other Equity

	Reserves and Surplus						Money received against share warrants	Total
	Retained Earnings	General Reserve	Securities Premium Reserve	Capital Reserve	Capital Redemption Reserve	Other Comprehensive Income		
Balance as at 01st April 2017	15,686.15	32,024.13	12,893.12	406.88	5.30	(11.01)	75.10	61,079.67
Profit for the year	(2,020.16)	-	-	-	-	-	-	(2,020.16)
Other comprehensive Income (Net of Tax)	-	-	-	-	-	(167.74)	-	(167.74)
Total comprehensive income for the year	13,665.99	32,024.13	12,893.12	406.88	5.30	(178.75)	75.10	58,891.77
Divided Paid (Including Dividend Distribution Tax)	-	-	-	-	-	-	-	-
Transfer to / from General Reserve	-	-	274.26	-	-	-	(75.10)	199.16
Balance as at 31st March 2018	13,665.99	32,024.13	13,167.38	406.88	5.30	(178.75)	-	59,090.93
Balance as at 01st April 2016	13,671.42	32,024.13	12,893.12	406.88	5.30	1.41	75.10	59,077.36
Profit for the year	2,014.73	-	-	-	-	-	-	2,014.73
Other comprehensive Income (Net of Tax)	-	-	-	-	-	(12.42)	-	(12.42)
Total comprehensive income for the year	15,686.15	32,024.13	12,893.12	406.88	5.30	(11.01)	75.10	61,079.67
Divided Paid (Including Dividend Distribution Tax)	-	-	-	-	-	-	-	-
Transfer to / from General Reserve	-	-	-	-	-	-	-	-
Balance as at 31st March 2017	15,686.15	32,024.13	12,893.12	406.88	5.30	(11.01)	75.10	61,079.67

C. Nature of reserves

Securities Premium collected on issue of securities are accumulated as part of securities premium.

D Terms of money received against Share Warrants

13,06,000 Convertible warrants out of 26,12,000 have been issued and allotted to Promoters during the year 2015-16 has been converted to 13,06,000 Equity Shares during the year.

As per our Report attached.

For and on behalf of the Board

For Chhajer & Doshi
Chartered Accountants
FRN NO 101794W

Pramod Kumar Jain
Chairman & Managing Director
DIN 00380458

Bakul Jain (DIN: 00380256)
Vivek Jain (DIN: 00502027)
Mudit Jain (DIN: 00647298)
Managing Directors

Nitish Jain
Partner
Membership No 136169
Place: Mumbai
Date : 29th May, 2018

Jigna Kamick
Dy. Company Secretary
CS NO 24140

Vimal Jain
Chief Financial Officer

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018



Company Overview

DCW Ltd (formally Dhrangadhra Chemical Works Limited), was incorporated in January 1939. The Registered Office of the Company is located at Dhrangadhra, Gujarat – 363315. Its shares are listed in Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). It is one of the multi-product, multi-location & heavy chemical manufacturing company. DCW has two manufacturing units located at Dhrangadhra in Gujarat and at Sahupuram in Tamil Nadu.

1. Significant Accounting Policy

1.1. Basis for preparation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (Act) read with Rule 4A of Companies (Accounts) Second Amendment Rules, 2015, Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder. The Financial Statements have been prepared under historical cost convention basis except for derivative financial instruments, certain financial assets and financial liabilities which have been measured at fair value at the end of each year reporting period, as stated in the accounting policies set out below.

The Company's presentation and functional currency is Indian Rupees (₹) and all values are rounded off to the nearest lakhs (INR 00,000), except when otherwise indicated.

1.2. Use of Judgement, Assumptions and Estimates

The preparation of the Company's financial statements requires management to make informed judgements, reasonable assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected.

In the assessment of the Company, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements relate to the following areas:

- Financial instruments;
- Useful lives of property, plant & equipment;
- Valuation of inventories;
- Measurement of recoverable amounts of assets / cash-generating units;
- Assets and obligations relating to employee benefits;
- Evaluation of recoverability of deferred tax assets; and
- Provisions and Contingencies.
- Classification of lease as operating or financial lease
- Impairment of non-financial assets

1.3. Current Non Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- I. The asset/liability is expected to be realized/settled in the company's normal operating cycle;
- II. The asset is intended for sale or consumption;
- III. The asset/liability is held primarily for the purpose of trading
- IV. The asset/liability is expected to be realized / settled within twelve months after the reporting period;
- V. The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- VI. In case of liability, the company doesn't have an unconditional right to defer the settlement of liability for at least twelve months after the reporting date.

All the assets and liabilities are classified as non-current.

NOTES FORMING PART OF THE BALANCE SHEET

For the purpose of current / non-current classification of assets and liabilities, the company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Property, plant & equipment

- a) The cost of an item of property, plant and equipment is recognized as an asset only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.
- b) An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment loss.

The company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

- c) Property, plant and equipment are stated at cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment loss, if any.
- d) The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation (if any) and the applicable borrowing cost till the asset is ready for its intended use.
- e) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- f) Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property plant and equipment are capitalized as property, plant and equipment. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit & Loss on issue/consumption.
- g) When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognises the replaced part and recognises the new part with its own associated useful life and it is depreciated accordingly. All other repair and maintenance cost are recognised in the Statement of Profit and Loss as and when incurred.
- h) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds if any and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.
- i) The company has elected to consider the carrying value of all its property, plant and equipment appearing in the financial statements prepared in accordance with Accounting Standards notified under the section 133 of the Companies Act 2013, revised together with Rule 7 of the Companies (Accounts) and used the same as deemed cost in the opening Ind As Balance Sheet prepared on 1st April, 2015.

B. Capital Work In Progress and Capital Advances

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress.

C. Depreciation

- a) Depreciation on property, plant and equipment is provided on the straight line basis, over the useful lives of assets (after retaining the residual value of up to 5%). Residual values of the fixed assets are held at 5% except that of Furniture and fixtures and Office equipment at Re. 1 as estimated by the Chartered

NOTES FORMING PART OF THE BALANCE SHEET



Engineer & Valuer. The useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act except in case of following assets which are depreciated over their useful life as determined by a Chartered Engineer and Valuer

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

- b) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the period in which the estimates are revised and in any future periods affected.
- c) Items of property, plant and equipment costing not more than ₹ 5,000 each are depreciated at 100 percent in the year in which they are capitalised.
- d) The Company depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately.
- e) The spare parts are depreciated over the estimated useful life based on internal technical assessment.
- f) Expenditure on major repairs and overhauls which qualify for recognition in the item of Property, Plant and Equipment and which result in additional useful life is depreciated over the extended useful life of the asset as determined by technical evaluation.
- g) Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

D. Accounting for Leases

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease and whether it is a finance lease or an operating lease.

If substantially all the risks and rewards incidental to ownership of the leased asset are transferred to the Company as lessee the arrangement is treated as a finance lease otherwise it is considered as an operating lease.

The Company which has an operating lease (as a lessee) recognises the lease rentals as expense in the statement of Profit & Loss on a straight line basis with reference to lease terms and other considerations.

E. Investment Property

Investment properties comprise portions of freehold land that are held for long-term rental yields and/or for capital appreciation. Investment properties are initially recognised at cost.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of de-recognition

NOTES FORMING PART OF THE BALANCE SHEET

F. Non-Current Assets Held For Sale

The Company classifies non-current assets held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

G. Inventories

Raw-materials, work-in-process, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on item-to- item basis.

Cost of inventories comprises all costs of purchases, duties, taxes (other than those subsequently recoverable from tax authorities) and all the other costs incurred in the normal course of business in bringing inventories to their present location, including appropriate overheads apportioned on a reasonable and consistent basis and is determined on the following basis:

- a) Raw materials and finished goods on weighted average basis.
- b) Work in process at raw material cost plus cost of conversion.
- c) Stores and spares on weighted average basis.

Customs duty on raw materials / finished goods lying in bonded warehouse is provided for at the applicable rates. Excise duty on finished stocks lying in bond is provided for at the applicable assessable value.

Obsolete, slow moving, surplus and defective stocks are identified and where necessary, provision is made for such stocks.

H. Revenue Recognition

Revenue is recognized when it's probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates allowed by the company.

Revenue includes only the gross inflows of economic benefits, including excise duty, received and receivable by the company, on its own account. Amounts collected on behalf of third parties such as sales tax, value added tax and goods and service tax are excluded from revenue.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, revenue and the associated costs can be estimated reliably and it is probable that economic benefits associated with the transaction will flow to the company. Sale value of goods is measured at the fair value of the consideration received or receivable, net of returns and applicable trade discounts or rebates. It includes applicable excise duty and surcharge but excludes sales tax and Goods & Service Tax (GST)

Sale of Services

Revenue from sale of services is recognized when the stage of completion can be measured reliably. Stage of completion is measured by the services performed till balance sheet date as percentage of total services contracted.

Other claims are booked when there is a reasonable certainty of recovery. Claims are reviewed on a periodic basis and if recovery becomes uncertain, provision is made in the accounts.

NOTES FORMING PART OF THE BALANCE SHEET



Interest Income

Interest income is recognised using Effective Interest Rate (EIR) method.

I. Employee Benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized as an expense at an undiscounted amount in the Statement of Profit & Loss for the year/period in which the related services are rendered.

Post employment Benefits:

The Company's post-employment benefit consists of provident fund, gratuity and superannuation fund. The Company also provides for leave encashment which is in the nature of long term benefit.

I. Defined Contribution Plans:

Defined Contribution plans are employee state insurance scheme and government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

The Superannuation Fund is a Defined Contribution Scheme managed by LIC and SBI Life Insurance Company and contributions are made to the funds is charged to the Statement of Profit and Loss.

Recognition and Measurement of Defined Contribution Plans:

The company recognizes contribution payable to a defined contribution plan as an expense in Statement of profit and Loss when employee render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before reporting date, the excess is recognized as an asset to the extent that prepayment will lead to, for example, a reduction in future payments or cash refund.

II. Defined Benefit Plans:

i. Provident Fund scheme:

The company makes specified monthly contributions towards Employee Provident Fund scheme to a separate trust administered by the company. The minimum interest payable by the trust to the beneficiaries is being notified by the government every year. The company has an obligation to make good the shortfall, if any, between the return on investments of the trust and the notified interest rate.

ii. Gratuity Scheme:

The Company operates defined benefit plan for Gratuity. The company contributes to a separate entity (a fund), towards meeting the Gratuity obligation. The Company has created an Employees Group Gratuity Fund which has taken a Group Gratuity Assurance Scheme with the Life Insurance Corporation of India.

Recognition and measurement of defined benefit plans:

The cost of providing such defined benefit is determined using the projected unit credit method of actuarial valuation made at the end of the year. The defined benefit obligations recognized in the balance sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

NOTES FORMING PART OF THE BALANCE SHEET

Actuarial gains and losses are recognised in other comprehensive income for gratuity and recognised in the Statement of Profit & Loss for leave encashment.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability / asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

J. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences in relation to borrowings denominated in foreign currency to the extent regarded as an adjustment to the borrowing costs.

Exchange differences are regarded as an adjustment to borrowing costs for an amount equivalent to the extent to which an exchange loss does not exceed the difference between the cost of borrowing in functional currency when compared to the cost of borrowing in a foreign currency and the amount of gain in relation to any settlement or translation of a borrowing, to the extent of any unrealised loss in respect of the same borrowing, previously recognised as an adjustment to such borrowing cost.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets till the month in which the asset is ready for use. All other borrowing costs are charged to the Statement of Profit & Loss.

K. Segment Accounting

The Managing Directors monitor the operating results of the business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products / services.

Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.

Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallowable expenditure.

Income which relates to the Company as a whole and not allocable to segments is included in un-allocable income.

NOTES FORMING PART OF THE BALANCE SHEET



Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Company.

Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Inter-Segment transfer pricing

Segment revenue resulting from transactions with other business segments is accounted for at actual cost incurred for producing the goods or at market prices of the products transferred as the case may be and as agreed to by the respective segments.

L. Foreign Currency Transactions

Monetary items:

Initial Recognition

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and foreign currency at the same date of transaction.

Measurement of foreign currency items at reporting date

Foreign currency monetary items of the company are translated at the closing rates.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit & Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

Non – Monetary items:

Non-monetary items that are measured in terms of historical cost are recorded at the exchange rates at the dates of the initial transactions.

M. Provisions, Contingent Liabilities and Contingent Assets

- a) Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expenses relating to a provision are recognised in the Statement of Profit & Loss net of any reimbursement.
- b) If the effect of time value of money is material, provisions are shown at present value of expenditure expected to be required to settle the obligation, by discounting using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- c) Contingent liabilities are possible obligations arising from past events and whose existence will only be confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- d) Show-cause notices issued by various Government Authorities are not considered as obligation. When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations.

NOTES FORMING PART OF THE BALANCE SHEET

- e) Contingent Assets are not recognised but reviewed at each balance sheet date and disclosure is made in the Notes in respect of possible effects that arise from past events and whose existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company and where inflow of economic benefit is probable.

N. Fair Value measurement

- a) The Company measures financial instruments i.e. derivative contracts at fair value at each balance sheet date.
- b) Fair value is the price that would be received on selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.
- c) While measuring the fair value of an asset or liability, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value using observable market data as far as possible and minimising the use of unobservable inputs. Fair values are categorised into 3 levels as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices that are observable for the assets or liability, either directly (i.e. as prices for similar item) or indirectly (i.e. derived from prices)

Level 3: inputs that are not based on observable market data (unobservable inputs)

O. Financial Instruments

i. Financial Assets other than derivatives

All financial assets are recognised initially at fair values including transaction costs that are attributable to the acquisition of the financial asset.

A financial asset is measured (subsequent measurement) at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost is net of any write down for impairment loss (if any) using the effective interest rate (EIR) method taking into account any discount or premium and fees or costs that are an integral part of the EIR.

A financial asset is derecognised either partly or fully to the extent the rights to receive cash flows from the asset have expired and / or the control on the asset has been transferred to a third party. On de-recognition, any gains or losses are recognised in the Statement of Profit & Loss.

ii. Financial Liabilities other than derivatives

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate method ("EIR"). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit & Loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit & Loss.

NOTES FORMING PART OF THE BALANCE SHEET



iii. Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value with the changes being recognised in the Statement of Profit & Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

iv. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

P. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current if they are expected to be realised / settled within twelve months after the reporting period. All other assets and liabilities are considered as non-current.

Q. Impairment

Non-financial Assets

At each Balance Sheet date, an assessment is made of whether there is any indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Financial Assets

The Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date right from initial recognition. In respect of other financial assets measured at amortised cost, the loss allowance is measured at 12 month ECL for financial assets with low credit risk at the reporting date. Where there is a significant deterioration in the credit risk, the loss allowance is measured since initial recognition of the financial asset.

R. Taxes on Income

Current Tax

Income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Deferred tax

Deferred tax (both assets and liabilities) is calculated using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The amount of deferred tax assets is reviewed at each reporting date.

NOTES FORMING PART OF THE BALANCE SHEET

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current tax and Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit & Loss, other comprehensive income or directly in equity.

S. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period, adjusted for the effect of all dilutive potential equity shares.

T. Cash and Cash equivalents

Cash and cash equivalents include cash at bank, cash, cheques and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

U. Government Grants

Government grants are recognized to the extent they are received in cash or kind.

When the grant relates to an expense item, the same is deducted in reporting the related expense in the Statement of Profit or Loss for which it is intended to compensate.

Government grants relating to property, plant and equipment are presented as deferred income and are credited to the Statement of Profit & Loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on the assets is recognised.

Grants related to income are deducted in reporting the related expense.

V. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements, Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

NOTES FORMING PART OF THE BALANCE SHEET



W. Impairment of non-financial assets

At each Balance Sheet date, an assessment is made of whether there is any indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

NOTES FORMING PART OF THE BALANCE SHEET

Note No "2" PROPERTY, PLANT AND EQUIPMENT Financial Year 2017-18

₹ in Lakhs

Description of Assets	Gross Block				DEPRECIATION				NET BLOCK		
	At Cost After Fair Valuation as on 01.04.2017	Additions and other Transfers	Sales and other deductions	Deduction Written Off	At Fair Value as on 31.03.2018	Opening Depreciation as on 01.04.2017	For the Year	Dep. on Discarded/ Sold Assets	Dep. On Written Off	As at 31st March 2018	As at 31st March, 2017
Land	20,293.22	10.62	0.60	-	20,303.24	-	-	-	-	20,303.24	20,293.22
Buildings	35,915.04	550.95	21.29	-	36,444.70	2,001.84	1,281.65	-	-	33,161.21	33,913.20
Plant and Machinery	98,383.53	2,095.96	25.52	-	1,00,453.97	8,745.86	6,789.64	19.96	-	84,938.43	89,637.67
Wind Mill	9,710.68	-	-	-	9,710.68	1,002.51	501.31	-	-	8,206.86	8,708.17
Furniture & Fittings	76.79	3.48	2.62	11.47	66.18	40.08	10.79	2.38	11.46	29.15	36.71
Office Equipments	287.81	22.07	9.05	-	300.83	171.45	48.76	8.90	-	211.31	116.36
Vehicles	615.95	130.17	156.04	-	590.08	205.89	147.81	147.82	-	205.88	410.06
TOTAL	1,65,283.02	2,813.25	215.12	11.47	1,67,869.68	12,167.63	8,779.94	179.06	11.46	20,757.06	1,53,115.37
Previous Year	1,32,734.63	34,159.90	1,611.49	-	1,65,283.03	6,686.69	6,792.91	1,311.95	-	12,167.64	1,26,047.94

Notes :-

- Building includes ₹ 4,507.13 Lakhs being cost of Ownership flats and office accommodation in Co-operative societies and a Limited company against which the company holds shares of the face value of ₹ 0.77 Lakhs in Co-operative Societies and the Limited Company.
- Assignment deeds in respect of 9.13 acres of Land at Caustic Soda Division, transferred by Central Government to the State Government, are yet to be executed by the State Government in favour of the Company.
- The Company exercised the option to purchase 793.39 acres of land leased by the State government at Sahapuram Works. Assignment deeds in respect of the said land is yet to be executed by the State Government in favour of the Company. [Refer Note No 31(III)].
- Encroachers have occupied some portion of the land belonging to the Company at Sahapuram. Efforts are being made to evict them.
- Various movable and immovable asset offered as security against borrowing as mentioned in Note No. 14 of this Financial Statements.
- Capital Work in Progress as at 31.03.2018 ₹ 12,359.64 Lakhs and as at 31.03.2017 ₹ 12,181.06 Lakhs.
- Previous year figures have been regrouped / rearranged to match with the current year.

NOTES FORMING PART OF THE BALANCE SHEET



NOTE "3"

INVESTMENTS (AT COST, UNLESS OTHERWISE SPECIFIED) :

INVESTMENTS IN EQUITY INSTRUMENTS :

	FACE VALUE PER UNIT ₹	LONG TERM			
		31.03.2018		31.03.2017	
		NUMBER	₹ in Lakhs	NUMBER	₹ in Lakhs
TRADE INVESTMENTS					
UNQUOTED :					
Equity Shares in DCW Pigment Limited	10	8,600	0.86	8,600	0.86
Total A	10	8,600	0.86	8,600	0.86
NON-TRADE INVESTMENTS :					
UNQUOTED :					
(I) Investment in Government / Trust Securities :					
7 Years National Savings Certificates	1000	10	0.10	10	0.10
(ii) Investment in Equity Shares of "The Dhrangadhra Peoples Co-operative Bank Limited"*	25	10	0.003	10	0.003
(iii) Investment in Equity Shares in Companies :					
Global Trust Bank	10	19,000	1.90	19,000	1.90
Less : Provision for Diminution of value in shares		(19,000)	(1.90)	(19,000)	(1.90)
Total B		-	0.10	-	0.10
Total Long Term Investment			0.96		0.96
.* Figures Denote Amount in Rupees					
Other Disclosures :					
(I) Aggregate value of unquoted investments (Gross)			2.86		2.86
(II) Aggregate value of diminution in value of investments			1.90		1.90

NOTES FORMING PART OF THE BALANCE SHEET

₹ in Lakhs

NOTE "4"

Long term loans & advances

(Unsecured, considered good)

Staff Loans

2.58

4.61

Security Deposits

500.23

495.69

VAT / Property Tax Refund Receivable

92.24

10.90

TOTAL

595.05

511.20

NOTE "5"

OTHER NON-CURRENT ASSETS

(Unsecured, considered good)

Capital Advances - Others

71.13

950.57

TOTAL

71.13

950.57

NOTE "6"

INVENTORIES

(As Certified by the Management)

Raw materials

6,756.42

5,850.56

Work-in-process

570.69

288.09

Finished Goods

2,826.80

4,483.07

Stores, Spares and Fuel

5,347.38

2,742.42

Packing Materials

202.39

151.11

Packing Drums & Scrap

2.66

2.66

TOTAL

15,706.34

13,517.91

NOTE "7"

TRADE RECEIVABLES

Unsecured Considered good

Debts Overdue for six months

From Others

Considered good

1,231.81

308.78

Considered doubtful

-

20.21

Less: Provision for doubtful debts / ECL

(30.21)

(20.21)

From Others

Other debts

7,418.71

7,736.75

TOTAL

8,620.31

8,045.53

NOTES FORMING PART OF THE BALANCE SHEET



₹ in Lakhs

NOTE "8"

CASH AND CASH EQUIVALENTS

Balances with Banks
In Current Accounts
Cheques on Hand
Cash on Hand

TOTAL

As At 31-Mar-18	As At 31-Mar-17
331.39	142.58
-	0.06
23.62	15.12
355.01	157.76

NOTE "9"

OTHER BANK BALANCES

Fixed Deposits with Banks

TOTAL

32.12	1.80
32.12	1.80

NOTE "10"

CURRENT LOANS

(Unsecured, considered good)

Staff Loans
Advance Recoverable in Cash or in Kind or for Value to be Received

TOTAL

278.89	84.67
2,342.95	4,752.83
2,621.84	4,837.50

NOTE "11"

OTHER CURRENT ASSETS

Prepaid Expenses
Asset held for sale
Statutory and Other Receivables

TOTAL

1,497.19	440.47
1.54	1.54
1,392.30	1,412.37
2,891.03	1,854.38

NOTE "12"

EQUITY SHARE CAPITAL

Authorised Capital

32,50,00,000 Equity Shares of ₹ 2/- each
(2017: 32,50,00,000 Equity Shares @ ₹ 2/- each)

TOTAL

6,500.00	6,500.00
6,500.00	6,500.00

Issued, Subscribed and Fully paid up

22,09,87,407 Equity Shares of ₹ 2/- each
(2017: 21,96,81,407 shares of ₹ 2/- each)

Face value per share

TOTAL

4,419.75	4,393.64
₹ 2/-	₹ 2/-
4,419.75	4,393.64

- a) 2,36,10,000 Equity Shares were issued and allotted on preferential basis to the promoter of the company and FII's during 2007-08.
- b) During the year 2015-16, 48,80,750 Equity Shares of ₹ 2/- each at a premium of ₹ 21/- per share were issued and allotted on preferential basis to promoters / promoters group and business associates including relatives of business associates of the company.



NOTES FORMING PART OF THE BALANCE SHEET

- c) 1,36,36,363; 37,03,704 and 13,06,000 Equity Shares were issued and allotted on preferential basis to the promoters on conversion of warrants during 2011-12, 2014-15 and 2015-16 respectively.
- d) During the year 2017-18, 13,06,000 Nos. of Equity shares allotted on preferential basis to the promoters on conversion of warrants
- e) Reconciliation of number of equity shares at the beginning and end of the year

₹ in Lakhs

Particulars	As at 31-03-18 No. of Shares	As at 31-03-17 No. of Shares
Equity Shares at the beginning of the year	219,681,407	219,681,407
Add: Shares issued on conversion of warrants to promoters on preferential basis	1,306,000	-
Equity Shares at the end of the year	220,987,407	219,681,407

- f) Terms / Rights attached to Equity Shares

The Company has only one class of shares referred to as Equity Shares having a par value of ₹ 2/- per share. Each share holder of the Equity Share is entitled to one vote per share. The company declared and pays the dividend in Indian Rupees.

Payment of dividend is also made in Foreign Currency to Shareholders outside India.

The final dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

- g) Name of Shareholders holding more than 5% Shares:

Name of Shareholder	As at 31-03-2018		As at 31-03-2017	
	No. of Shares	% Held	No. of Shares	% Held
Sahu Brothers Pvt Ltd	52,459,860.00	23.74	52,459,860.00	23.88

NOTES FORMING PART OF THE BALANCE SHEET



₹ in Lakhs

NOTE "13"

OTHER EQUITY

A. Retained Earnings

	As At 31-Mar-18	As At 31-Mar-17
Opening Balance	15,686.15	13,671.42
Add: Opening Balance Adjustment due to Ind AS	-	-
Profit For the Year	(2,020.16)	2,014.73
Closing Balance	13,665.99	15,686.15

B. General Reserve

Opening Balance / Closing Balance	32,024.13	32,024.13
--	------------------	------------------

C. Money Received Against Share Warrants

Opening Balance	75.10	75.10
Additions During the Year	-	-
Less :- Transferred to Equity Share Capital	(26.12)	-
Less :- Transferred to Share Premium	(48.98)	-
Closing Balance	-	75.10

D. Capital Reserve

Opening Balance / Closing Balance	406.88	406.88
--	---------------	---------------

E. Capital Redemption Reserve

Opening Balance / Closing Balance	5.30	5.30
--	-------------	-------------

F. Securities Premium Reserve

Opening Balance	12,893.12	12,893.12
Addition During the Year	274.26	-
Closing Balance	13,167.38	12,893.12

G. Other Comprehensive Income

Opening Balance	(11.01)	1.41
Additions During the Year	(167.74)	(12.42)
Closing Balance	(178.75)	(11.01)

TOTAL	59,090.93	61,079.67
--------------	------------------	------------------

NOTES FORMING PART OF THE BALANCE SHEET

NOTE NO. 14

₹ in Lakhs

Sr. No.	PARTICULARS	31.03.2018		31.03.2017	
		Non Current	Current Maturities	Non Current	Current Maturities
	TERM LOANS - SECURED				
A	FROM BANKS				
1	LAXMI VILAS BANK (Repayable in 16 equal quarterly installments, last installment falling due in Oct 2020)	1,093.75	625.00	1,718.75	625.00
2	ICICI BANK LTD (Repayable in 28 equal quarterly installments, last installment falling due in Jan, 2023)	3,242.25	1,071.43	4,313.67	1,071.01
3	PUNJAB NATIONAL BANK (Repayable in 28 equal quarterly installments, last installment falling due in Mar 2022)	7,532.65	1,785.71	9,318.35	1,785.71
4	ICICI BANK (Repayable in 28 equal quarterly installments, last installment falling due in April -2023)	3,641.24	910.32	4,779.13	910.32
5	STATE BANK OF TRAVANCORE (Repayable in 28 equal quarterly installments, last installment falling due in Sep -2023)	2,468.00	556.00	3,026.42	556.00
6	DEVELOPMENT CREDIT BANK (Repayable in 16 equal quarterly installments, last installment falling due in December 2018)	-	562.50	562.50	750.00
7	STATE BANK OF INDIA (Repayable in 16 equal quarterly installments, last installment falling due in Mar 2020)	600.00	800.00	1,400.00	800.00
8	CAR LOANS FROM BANK (Repayable in monthly installments, last installment is due in October 2020)	69.79	52.23	12.48	43.05
9	CITY UNION BANK (Repayable in 180 monthly installments)	6.14	1.50	-	-
	TOTAL A	18,653.82	6,364.69	25,131.30	6,541.09
B	FROM INSTITUTIONS				
10	IREDA (Repayable in 44 equal quarterly installments, last installment falling due in June 2022)	2,907.25	729.56	3,636.81	729.56
11	EXIM BANK (Repayable in 28 equal quarterly installments, last installment falling due in Sept 2022)	8,224.86	2,530.73	10,755.71	2,530.73
12	EXIM BANK (Repayable in 28 equal quarterly installments, last installment falling due in Jan 2023)	4,432.14	1,042.86	5,475.00	1,042.86
	TOTAL B	15,564.25	4,303.15	19,867.52	4,303.15

NOTES FORMING PART OF THE BALANCE SHEET

NOTE "16" DEFERRED TAX LIABILITIES (NET)

In compliance of Ind AS 12 on "Income Taxes", the item wise details of Deferred Tax Liabilities (Net) are as under:

₹ in Lakhs

Particulars	Opening Balance	Recognised in P&L	Recognised in OCI	Closing Balance
For The Year Ended 31st March 2018				
Deferred Tax Liabilities				
Difference between accounting and tax depreciation	19,200.76	(1,367.86)	-	17,832.90
Total Deferred Tax Liabilities	19,200.76	(1,367.86)	-	17,832.90
Deferred Tax Assets				
Expenses Allowed on Payment Basis	558.21	(33.20)	90.23	615.24
Unabsorbed Depreciation	5,684.97	1,554.45	-	7,239.42
Unutilized Tax Credits	1,617.81	-	-	1,617.81
Total Deferred Tax Assets	7,860.99	1,521.25	90.23	9,472.47
Deferred Tax Liabilities (Net)	11,339.77	(2,889.11)	(90.23)	8,360.43
For The Year Ended 31st March 2017				
Deferred Tax Liabilities				
Difference between accounting and tax depreciation	16,706.04	2,494.72	-	19,200.76
Total Deferred Tax Liabilities	16,706.04	2,494.72	-	19,200.76
Deferred Tax Assets				
Expenses Allowed on Payment Basis	578.65	(27.01)	6.57	558.21
Unabsorbed Depreciation	3,624.54	2,060.43	-	5,684.97
Unutilized Tax Credits	1,128.08	489.73	-	1,617.81
Total Deferred Tax Assets	5,331.27	2,523.15	6.57	7,860.99
Deferred Tax Liabilities (Net)	11,374.77	(28.43)	(6.57)	11,339.77

Deferred Tax Asset on unabsorbed depreciation, unabsorbed business losses and other temporary differences available as per the Income Tax Act, 1961 has been recognized, since it is probable that taxable profit will be available to adjust them in the future years. Unabsorbed depreciation which forms major portion of the Deferred Tax Asset can be carried forward and set off against the profits for unlimited number of years under the Indian Income Tax Act, 1961 and profitability projections based on current margins show sufficient profits for set-off in future.

Reconciliation of effective tax rate as a numerical reconciliation between tax expense and the product of account profit multiplied by the applicable tax rate.

Tax Expenses recognized in the Statement of Profit & Loss / Other Comprehensive Income (OCI) are as below:

Particulars	2017-18	2016-17
A. Current Tax Expense	-	25.00
B. Deferred Tax Expense / (Asset) relating to		
- Origination and reversal of temporary differences	(2,889.02)	461.57
- Change in Tax Rates	-	-
- Recognition of previously unrecognized tax losses / (gains)	-	-
Total	(2,889.02)	461.57
Tax Expenses recognized in the Statement of Profit & Loss	(2,889.02)	486.57
Deferred Tax Liability / (Asset) relating to re-measurement of the defined benefit plan (gratuity) recognized in OCI	(90.32)	(6.57)

NOTES FORMING PART OF THE BALANCE SHEET



₹ in Lakhs

NOTE "17"

OTHER NON-CURRENT LIABILITIES

	As At 31-Mar-18	As At 31-Mar-17
Capital Grants	1,256.59	1,325.87
Trade and Other Deposits	1,683.41	2,500.00
Dues To Related Parties (Refer Note No 34B)	4.74	4.74
TOTAL	2,944.74	3,830.61

NOTE "18"

SHORT-TERM BORROWINGS

Demand Loans From Banks (Secured)		
Working Capital Loans*	2,219.06	6,195.09
Line of Credit	13,114.23	8,014.27
Unsecured Loans		
From Related Parties	3,735.25	1,071.25
Others	2,100.00	2,846.00
TOTAL	21,168.54	18,126.61

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

NOTE "19"

TRADE PAYABLES

	As At 31-Mar-18	As At 31-Mar-17
Acceptances Against Letters of Credit	7,181.20	18,999.27
Dues to Micro and Small Enterprises (Refer Note Below)	462.36	139.58
Dues to Other than Micro and Small Enterprises	9,738.84	7,989.17
TOTAL	17,382.40	27,128.02

NOTES FORMING PART OF THE BALANCE SHEET



₹ in Lakhs

NOTE “23”

OTHER INCOME

	As At 31-Mar-18	As At 31-Mar-17
Interest Income	154.65	166.01
Profit on Sale of Fixed Assets	10.95	3.48
Unclaimed balance written back	279.26	158.71
Insurance claims received	52.28	95.39
Other Non-operating Income	119.97	109.25
TOTAL	617.11	532.84

NOTE “24”

COST OF RAW MATERIALS CONSUMED

Opening stock in hand and in process	5,850.56	10,355.06
Add: Purchase of Raw materials	59,217.60	55,739.47
Less: Closing stock in hand and in process	6,756.42	5,850.56
TOTAL	58,311.74	60,243.97

NOTE “25”

PURCHASE OF STOCK IN TRADE

Purchase of Stock in Trade	26.61	62.80
TOTAL	26.61	62.80

NOTE “26”

CHANGES IN INVENTORIES

Closing stock:

Closing stock of Finished Goods	(2,826.81)	(4,483.07)
Closing Stock of Work-in-process	(570.68)	(288.09)
Closing stock of Packing Drums and Scrap	(2.66)	(2.66)
	(3,400.15)	(4,773.82)

Opening Stock:

Opening Stock of Finished Goods	4,483.07	3,467.17
Opening Stock of Work-in-process	288.09	184.66
Opening Stock of Packing Drums and Scrap	2.66	2.66
	4,773.82	3,654.49

Net (Increase) / decrease in stock

	1,373.67	(1,119.33)
--	-----------------	-------------------

NOTES FORMING PART OF THE BALANCE SHEET

₹ in Lakhs

NOTE “27”

EMPLOYEE BENEFIT EXPENSES

	As At 31-Mar-18	As At 31-Mar-17
Salaries and wages	9,876.42	8,248.20
Contributions to provident and other funds	708.25	824.34
Staff Welfare Expenses	804.13	674.19
Directors Remuneration	79.00	469.62
(Net of Capitalisation ₹ Nil (PY. ₹ 67.09 lakhs))		

TOTAL

	11,467.80	10,216.35
--	------------------	------------------

NOTE “28”

FINANCE COSTS

Interest expense*	8,769.25	5,473.00
Bank Charges	550.69	183.52
Exchange differences regarded as an adjustment to borrowing costs	-	1.02

TOTAL

	9,319.94	5,657.54
--	-----------------	-----------------

* Net of transferrers to CWIP / Capitalisation ₹ 68.03 lakhs

NOTE “29”

OTHER EXPENSES

Power and fuel	19,181.08	17,770.44
Packing charges	1,533.00	1,659.62
Operating and maintenance expenses	3,655.25	2,313.45
Rent	58.60	76.22
Repairs to building	534.83	813.93
Repairs to machinery	4,635.61	5,331.73
Wholesalers commission	21.33	-
Repairs to other assets	475.41	403.13
Insurance	359.14	356.99
Rates and Taxes	83.64	103.30
Licence fees	69.25	66.85

TOTAL A

	30,607.14	28,895.66
--	------------------	------------------

Payments to auditors

as auditors	12.50	12.50
for taxation matters (Includes Tax Audit Fees ₹ 4 lakhs (previous year ₹ 4 lakhs))	7.60	7.60
for other services	3.65	5.45
Towards reimbursement of expenses	3.66	2.51

TOTAL B

	27.41	28.06
--	--------------	--------------

NOTES FORMING PART OF THE BALANCE SHEET



₹ in Lakhs

	As At 31-Mar-18	As At 31-Mar-17
Travelling expenses	137.53	196.16
Conveyance expenses	225.59	272.53
Advertisement expenses	8.14	10.21
Professional fees	507.64	344.38
Directors Sitting Fees	2.35	2.50
Loss on Assets Sold or Written off	28.18	289.30
Donations	6.61	3.69
Freight, Transportation, Loading and other Charges (Net)	2,318.77	2,891.28
Vehicle expenses	98.31	127.98
Exchange Difference (Net)	33.08	(335.75)
Miscellaneous Expenses	987.65	1,031.25
TOTAL C	4,353.85	4,833.53
TOTAL (A + B + C)	34,988.40	33,757.25
NOTE "30"		
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss		
Remeasurement of Defined Benefit Plans	(258.06)	(18.99)
Income Tax on items that will not be reclassified to profit or loss		
Remeasurement of Defined Benefit Plans	90.32	6.57
TOTAL	(167.74)	(12.42)

NOTES FORMING PART OF THE BALANCE SHEET

NOTE 31- CONTINGENT LIABILITIES AND COMMITMENTS:

a. Contingent Liabilities (to the extent not provided for)

₹ in Lakhs

		As at 31.03.2018	As at 31.03.2017
A.	CONTINGENT LIABILITIES NOT PROVIDED FOR:		
1.	Disputed Sales Tax Demands*	6,350.56	3,406.65
2.	Disputed Excise / Service tax Demands	497.52	597.11
3.	Disputed Customs Demands **	6,139.98	5,394.87
4.	GST Demands	15.23	-
5.	Company's contribution to ESI not made pursuant to petitions for exemption pending before High Court	5.04	186.82
6.	Lease Rent, Local Cess, Octroi, and Interest on Octroi, Surcharge, Stamp Duty, Water and Electricity duty. #	9,739.19	8,816.54
7.	Disputed Industrial relations matters	618.45	560.40
B.	CLAIMS NOT ACKNOWLEDGED AS DEBTS:	-	-
	TOTAL	23,365.97	18,962.39
C.	GUARANTEE AS A MEMBER OF THE ALKALI MFG. ASSN. (A Company Limited by Guarantee)	₹ 500	₹ 500

Note: The Company does not expect any outflow in respect of the above contingent liabilities.

*** Includes:**

- i) Sales Tax Assessments of Dhrangadhra Unit are pending for 1994-95, 1995-96, 1997-98, 2004-05, 2005-06 and 2014-15 to 2016-17. In respect of Sahupuram Unit Central Sales Tax Assessments and Tamil Nadu General Sales tax assessment are completed up to 2010-11.

****Includes:**

- i) The Commissioners of Customs, Tuticorin and Kandla during the year issued Order rejecting the classification of coal imported by the company during the year 2011 and 2012 as Steam Coal and reclassified the same as Bituminous Coal and demanded differential duty of ₹ 1311.31 lakhs along with applicable interest of ₹ 490.58 lakhs and imposed penalty of ₹ 1309 lakhs. The Company has filed appeal with CESTAT against the said Orders. The appeal is pending with CESTAT. The Company has been legally advised that it has a fair chance of winning the case before CESTAT. Accordingly no provision has been made in the accounts and has been disclosed as contingent liability.
- ii) In the matter of Export Duty on Upgraded Benefited Ilmenite classification dispute, the Company has given an undertaking to remit the disputed duty in case; the dispute is decided against the Company by the highest judicial forum. As at 31st March 2017 the duty liability is ₹ 2124.36 Lakhs (Previous year - ₹ 1971.01 Lakhs). Since the Company has got the favourable order from the adjudicating authority in some of the shipments made by the Company, relating to the same period, the Company is hopeful of getting favourable order in all the shipments where the duty has been demanded by the department.

Includes:

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

NOTES FORMING PART OF THE BALANCE SHEET



has been dismissed by the Madras High Court. The SLP filed by the company against the High Court Order has been admitted by the Supreme Court.

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

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

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

- ii) In the matter of leasehold land in respect of the salt works at Kuda, Dhrrangadhra, which is an "Operating Lease", the Honourable Supreme Court has admitted the SLP filed by the Company against the Order of the Gujarat High Court upholding that the lease of the aforesaid land is not permanent and hence is terminable. The Company is confident of succeeding in the Supreme Court.
- iii) In the matter of disputed demand of ₹ 498.94 lakhs consequent to revision in the lease rent rates fixed by the Tariff Authority for Major Ports (TAMP) from 2006 to 2016 in respect of the port lands taken on lease by the Company from the V. O. Chidambaranar Port Trust, the Company has obtained interim stay from the Honourable High Court of Judicature at Madras vide order dated 01.08.2014. The company is confident of succeeding in this matter.
- iv) In the matter of lease rental of land admeasuring 793.39 acres at Sahupuram Works, the assignment deeds in respect of which are yet to be executed by the State Government in favour of the Company. (Details refer note no. 36).

b. Commitments:

- i) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for is ₹ 366.46 lakhs (31st March 2017: ₹ 3,591 lakhs).
- ii) In respect of land on lease, the future obligations towards lease rentals under the lease agreements as on 31st March, 2018 amount to ₹ 1,077.64 lakhs (31st March 2017: ₹ 1,114.80 lakhs)
- iii) The Company has given an undertaking for the purposes of obtaining 100% Export Oriented Unit status that it would achieve positive net foreign exchange earnings as prescribed in the EOU Scheme for a period of five years from May 2015. The Company is hopeful of achieving the said parameters and does not expect any liability on this account as on the Balance sheet date.
- iv) The company does not have any other commitments.

NOTE 32:

- a. Confirmation of balances from some of the Debtors and Creditors, have not been received. Statements of Account/ balance confirmations, wherever received, have been reconciled and impact thereof, in any, has been dealt with to the extent agreed upon by the Company.
- b. In Case of material lying with third party, movement of material is recorded and closing balances have been reconciled on the basis of periodical statements and / or subsequent movement of such material, as certified by the Management.
- c. In the opinion of the management, current assets, long term loans and advances and other non-current assets have a realizable value in ordinary course of business at least equal to the amounts at which they are stated in the balance sheet.

NOTES FORMING PART OF THE BALANCE SHEET

NOTE 33- LEASE RENTALS FOR NON-CANCELLABLE OPERATING LEASES:

- a. Lease rentals are charged to the Statement of profit and loss and maximum obligations on long term non-cancellable operating leases payable as per the rentals stated in the respective lease agreement.
- b. The Company has a lease agreement for a period of 30 years (up to March 2047) with V. O. Chidambaranar Port Trust for the land taken on lease for storage VCM. The aggregate future fixed minimum lease payments under the agreement are as under:

₹ in Lakhs

	31.03.2018	31.03.2017
Not later than one year	37.16	37.16
Later than one year and not later than 5 years	148.64	148.64
Later than 5 years	891.84	929.00
Total	1,077.64	1,114.80

- c. Lease and sublease payments recognized as an expense in this period, with separate amounts for minimum lease payments, contingent rent and sublease payments.

A general description of the lessee's significant leasing arrangements including, but not limited to, the following:	
i) The basis on which contingent rent payable is determined;	There is no contingent rent payable on the expiry of the lease.
ii) The existence and terms of renewal or purchase options and escalation clauses; and	There are no terms of renewal or purchase option and escalation clause.
iii) Restrictions imposed by lease arrangements, such as those concerning dividends, additional debt and further leasing.	The lease term does not permit any sub-lease.

NOTE 34- RELATED PARTY DISCLOSURES AS PER Ind-AS 24:

a. Relationships:

i) List of Related Parties Where Control Exists

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

ii) Key management personnel and their relatives:

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

NOTES FORMING PART OF THE BALANCE SHEET



Note:

Related party relationships on the basis of the requirements of Indian Accounting Standard (Ind AS) – 24 disclosed above is as identified by the company and relied upon by the auditors.

- b. i) Disclosure of Transactions between the company and related parties and the status of outstanding balances as on 31st March 2018

(₹ In lakhs)

Particulars	Enterprise / Key Management	Relationship	31 st March 2018	31 st March 2017
Money Received towards Share Capital	Shri Bakul Jain	Managing Director	112.64	-
	Shri Vivek Jain	Managing Director	95.39	-
	Shri Vivek Jain & Smt. Meeta Jain	Managing Director	17.25	-
Purchase of goods	M/s. Kishco Pvt. Ltd.	Entities in which key management personnel & or their relatives have significant influence	0.71	1.53
Unsecured loan taken	Shri. Vivek Jain	Managing Director	4,285	1,240.75
	Shri P.K. Jain	Chairman & Managing Director	500	175.00
	Shri. Mudit Jain	Managing Director	150	-
		Total	4,935	1,415.75
Unsecured Loan Repaid	Shri. Vivek Jain	Managing Director	2,121	319.50
	Shri P.K. Jain	Chairman & Managing Director	150	25.00
		Total	2,271	344.50
Unsecured Loan Balances as on 31 st March, 2018	Shri. Vivek Jain	Managing Director	3,085.25	921.25
	Shri P.K. Jain	Chairman & Managing Director	500	150.00
	Shri. Mudit Jain	Managing Director	150	-
		Total	3,735.25	1,071.25
Interest Paid	Shri P.K. Jain	Chairman & Managing Director	11.36	6.74
	Shri Vivek Jain	Managing Director	88.49	27.21
	Shri Mudit Jain	Managing Director	9.17	-
		Total	109.02	33.95
Sale of Investments	DCW Pigments Ltd.	Entity in which key management personnel & or their relatives have significant influence	-	4.14
Balances	M/s. Dhrangadhra Trading Company Pvt. Ltd.	Entity in which key management personnel & or their relatives have significant influence	(4.74)	(4.74)
		Total	(4.74)	(4.74)

NOTES FORMING PART OF THE BALANCE SHEET

(₹ In lakhs)

Particulars	Enterprise / Key Management	Relationship	31 st March 2018	31 st March 2017
B. ii) Transaction with Key Management Personnel				
A. Remuneration paid to Key Management Personnel & their Relatives	Shri P.K. Jain	Chairman & Managing Director	20.26	137.39
	Shri. Bakul Jain	Managing Director	20.26	137.39
	Shri. Vivek Jain	Managing Director	20.26	137.39
	Shri. Mudit Jain	Managing Director	20.26	137.39
	Shri. Ashish Jain	Senior President	19.86	133.85
	Mrs. Paulomi Jain	President	19.99	133.84
	Mrs. Malti Bhindi	President	19.92	131.60
	Shri. Saatvik Jain	President	19.60	129.26
	Shri.Vimal Jain	Chief Financial Officer	61.46	61.22
	Smt.Jigna Karnick	Dy. Company Secretary	12.11	12.18
	Total		233.98	1,151.51
B. Sitting Fees	Shri. Sodhsal Singh Dev of Dhrangadhra	Independent Director	0.40	0.80
	Shri. Salil Kapoor	Independent Director	0.20	0.15
	Ms. Sujata Rangnekar	Independent Director	0.70	0.70
	Shri. D. Ganapathy	Independent Director	0.80	0.85
	Shri. Pradip Madhavji	Independent Director	0.25	-

NOTE 35- FINANCIAL DERIVATIVE INSTRUMENTS:

- a. Derivative contracts entered into by the Company and outstanding as on 31st March, 2018 for Hedging currency and interest related risks.
- i) Forward exchange contracts and options (being derivative instruments), which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables

Outstanding forward exchange contracts entered into by the company as on 31st March 2018:

Foreign Currency	Amount in INR	Buy / Sell	Cross Currency
USD 20,00,000	131,295,000/-	Sell	Rupees

- b. The Year End Foreign Currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

March '18		March' 17	
Receivable/(Payable)	Receivable/ (Payable) in Foreign Currency	Receivable/(Payable)	Receivable/ (Payable) in Foreign Currency
₹	\$	₹	\$
4,87,85,105	USD 7,48,582	15,00,13,809	USD 23,13,243
(167,63,20,601)	USD (2,57,22,274)	(237,28,41,943)	USD (3,65,89,698)

- c. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

NOTES FORMING PART OF THE BALANCE SHEET



NOTE 36:

Land includes a land costing ₹ 3.91 lakhs (fair valued at ₹ 2380.20 lakhs on transition date) admeasuring 793.39 acres at Sahupuram Works, the assignment deeds in respect of which are yet to be executed by the State Government in favour of the Company.

The Company had remitted the above land cost as per State Government order in the year 1989. The assignment deed of the said land in favour of the Company was not executed by the State Government, demanding double the market value of the land and the State Government demanded lease rent from 1989. As the assignment deed of the land was not executed by the State Government, the Company filed writ petition before the Honourable Madras High Court which ordered the State Government to pass orders on merits on the application seeking the said assignment, filed by the Company and granted interim stay against collection of lease rent.

The State Government vide order dated 31st March 2017 has finally rejected the request for the assignment of land citing certain non-fulfilment of condition of original lease, and ordered to collect the arrears of lease rent from 1989 to till date with 12% interest and also issued orders to repossess the said land. The Company has filed writ petition against the said order before the Honourable Madras High Court which is pending for hearing.

The Company has been legally advised that it has a very good case on the above matter and hence the ownership of the land would eventually be transferred in the name of the Company as per Sec 53A of the Transfer of Property Act. The lease rent demanded has been disclosed under Contingent Liability and therefore the land is treated as “freehold”.

NOTE 37- DISCLOSURE PURSUANT TO IND AS-19 “EMPLOYEE BENEFITS”:

The Company has classified the various benefits provided to employees as under:

a. Defined Contribution Plans:

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

(₹ In lakhs)

Particulars	31st March 2018	31st March 2017
Provident Fund	494.44	445.77
Superannuation Fund	107.04	208.61
Employees’ Pension Scheme, 1995	235.60	237.61

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

b. Defined Benefit Plans:

(₹ In lakhs)

		Gratuity (Funded)	
		31st March 2018	31st March 2017
1	Change in Benefit Obligation		
	Liability at the beginning of the year 1st April’ 2017	2,990.55	2,871.39
	Interest cost	224.59	217.08
	Current Service Cost	129.21	129.41
	Past Service Cost	219.94	-
	Benefit Paid	(266.15)	(227.12)
	Actuarial (gain) / Loss on obligation	258.97	(0.21)
	Liability at the end of the year	3,557.11	2,990.55

NOTES FORMING PART OF THE BALANCE SHEET

(₹ In lakhs)

		Gratuity (Funded)	
		31st March 2018	31st March 2017
2	Changes in the Fair Value of Plan Assets		
	Present Value of Plan Assets as at 1st April, 2017	2,983.91	2,761.72
	Expected Return on Plan Assets	224.09	208.79
	Contributions by the Employer	103.35	-
	Actuarial (Gain)/Loss	0.91	18.79
	Employers' Contributions	-	-
	Benefits Paid	(266.15)	(5.39)
	Present Value of Planned Assets as at 31st March, 2018	3,046.11	2,983.91
3	Amount Recognized in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets		
	Present Value of Defined Benefit Obligation as at 31st March, 2018	(3,557.11)	(2,990.55)
	Fair Value of Plan Assets as at 31st March, 2018	3,046.11	2,983.91
	Net Liability recognized in the Balance Sheet as at 31st March, 2018	(511.00)	(6.65)
4.	Expenses Recognized in the Statement of Profit and Loss		
A	Service Cost	129.21	129.41
B	Interest Cost	0.50	8.29
C	Past Service Cost	219.94	-
D	Expected Return on Plan Assets	(224.09)	(208.79)
E	Curtailment Cost/(Credit)	-	-
F	Settlement Cost/(Credit)	-	-
G	Net Actuarial (Gain)/Loss	258.06	(18.99)
	Total Expenses recognized in the Statement of Profit and Loss	91.59	118.71
5	Actual Return on Plan Assets		
	Estimated Contribution to be made in the next annual year		
	The Composition of Plan Assets : i.e. Percentage of each Category of Plan Assets to Total Fair Value of Plan Assets as at 31st March, 2018		
A	Govt of India Securities	-	-
B	Corporate Bonds	-	-
C	Special Deposit Scheme	-	-
D	Equity Shares of Listed Companies	-	-
E	Property	-	-
F	Insurance Managed Funds	3,046.11	2,983.91
G	Others	-	-
	Total	3,046.11	2,983.91

NOTES FORMING PART OF THE BALANCE SHEET



(₹ In lakhs)

		Gratuity (Funded)	
		31st March 2018	31st March 2017
6.	Amount recognised in Other Comprehensive Income (OCI)		
	Actuarial (Gains) / Losses on Obligations for the period	(258.97)	0.21
	Re-measurement(Return on Plan Assets Excluding Interest Income)	0.91	18.79
	Change in Asset Ceiling	-	-
	Net (Income) / Expenses for the period recognized in OCI	(258.06)	18.99
7.	Actuarial Assumptions		
	Retirement age	58	58
	Discount rate	7.56%	7.51%
	Mortality	Indian Assured Lives Mortality (2006-2008) Ultimate	
	Withdrawal rate	2%	2%
	Salary escalation	3%	4%
	Other Details		
	No of active members	1924	2047
	Per month salary for active members	536.39	475.11
	Average expected future service - in years	10	11
	Projected benefit obligation (PBO)	3,557.11	2,990.55
	Weighted average duration of the PBO – in years		
	Projected benefits payable in future years from the date of reporting		
	1st following year	897.92	692.33
	Sum of years 2 to 5	1,288.73	1,057.43
	Sum of years 6 to 10	1,639.42	1,339.55
	Sensitivity analysis on PBO	31st March 2018	31st March 2017
	Delta effect of 1% increase in rate of discounting	(154.73)	(139.54)
	Delta effect of 1% decrease in rate of discounting	171.23	155.08
	Delta effect of 1% increase in rate of salary escalation	171.24	159.00
Delta effect of 1% decrease in rate of salary escalation	(157.06)	(145.33)	
Delta effect of 1% increase in rate of attrition	49.46	32.46	
Delta effect of 1% decrease in rate of attrition	(53.73)	(35.44)	

NOTE NO. 38: Earning per share (EPS) as per IND AS – 33

(₹ In lakhs)

	2017-18	2016-17
Profit/ (Loss) after Tax	(2,187.90)	2,002.31
No. Of Equity shares of ₹ 2 each outstanding as on 31.3.2018	22,09,87,407	21,96,81,407
Weighted Average Number of Equity Shares Outstanding during the year		
For Basic	22,09,87,407	21,96,81,407
For Diluted *	22,09,87,407	22,00,05,773
EPS (₹)		
Basic & Diluted	(0.99)	0.91

*After considering share warrants pending allotment which are potentially dilutive.

NOTES FORMING PART OF THE BALANCE SHEET

NOTE 39: SEGMENT INFORMATION FOR YEAR 2017-18

(₹ In lakhs)

	CAUSTIC	SIOP	PVC	CPVC	SODA ASH	OTHERS	TOTAL
Segment Revenue							
External Revenue	40,747.72	2,696.20	54,873.65	2,189.15	20,564.22	886.89	121,957.83
	(41,491.77)	(3,133.84)	(65,889.20)	-	(19,498.26)	(1,011.23)	(131,024.30)
Segment Result	110.98	(2,314.95)	4,993.11	(2,906.48)	4,067.88	292.49	4,243.03
	(4,229.37)	((-2922.47)	(4,566.01)	((-114.64)	(2,159.98)	(221.58)	(8,139.84)
Add : Unallocated Corporate Income							
Less:							
Finance charges							9,319.94
							(5,657.54)
Current Tax							-
							(25.00)
Deffered Tax							(2,889.02)
							((-455.00)
Net Profit							(2,187.89)
							(2,002.30)
Other information							
Segment Assets	56,271.85	42,832.63	15,101.54	31,423.18	28,591.13	13,254.67	187,475.00
	(62,117.53)	(44,677.54)	(13,775.28)	(34,460.75)	(27,360.78)	(13,678.42)	(196,070.30)
Add :Unallocated Corporate Assets							2,891.03
							-
Total							190,366.03
							(196,070.30)
Segment Liabilities	25,445.22	34,189.74	16,518.52	16,971.49	6,417.14	18,952.79	118,494.90
	(21,386.97)	(31,999.90)	(27,723.20)	(24,757.79)	(1,961.97)	(11,427.42)	(119,257.25)
Add :Unallocated Corporate liabilities							8,360.43
							(11,339.77)
Total							126,855.33
							(130,597.02)
Capital Expenditure							2,044.35
							(9,674.81)
Depreciation	3,127.29	1,569.98	766.37	2,154.74	660.25	501.31	8,779.94
	(2,997.51)	(1,626.33)	(638.64)	(175.60)	(853.57)	(501.26)	(6,792.91)

Note : Figures in brackets represents previous years.

NOTES FORMING PART OF THE BALANCE SHEET



NOTE NO 40- EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY(CSR) ACTIVITIES:

- a. Gross amount required to be spent during the year is ₹ 31.35 Lakhs. (P.Y. 142 Lakhs)
- b. Amount spent during the year:

(₹ In lakhs)

Sr. No.	Particulars	In Cash	Yet to be paid in cash	31st March 2018	31st March 2017
1	Construction/acquisition of any asset	-	-	-	-
2	Other purposes other than above	-	-	64.76	53.25

NOTE 41- FAIR VALUE MEASUREMENTS:

The following disclosures are made as required by Ind AS -113 pertaining to Fair value measurement:

a. Accounting classification and fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ In lakhs)

Financial Liabilities	Carrying amount at Amortised Cost	Fair value	Fair value measurement hierarchy level
As on 31st March, 2018			
Fixed Rate Borrowings	-	-	Level 2
As on 31st March, 2017			
Fixed Rate Borrowings	-	-	Level 2

b. Measurement of fair values:

The following tables shows the valuation techniques used in measuring Level 2 fair values.

Type	Valuation technique
Fixed Rate Borrowings	Discounted cash flows: The valuation model considers the present value of expected payment discounted using appropriate discounting rates.

c. Financial risk management

The Company has exposure to the Credit risk, Liquidity risk and Market risk arising from financial instruments.

Risk Management Framework: The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee (RMC), which is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits to control / monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks

NOTES FORMING PART OF THE BALANCE SHEET

facied by the Company. The Audit Committee is assisted by internal audit. Internal audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is approved by the Board of Directors.

d. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables.

Trade receivables: The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The following table provides information about the exposure to credit risk and measurement of loss allowance using Life time expected credit loss for trade receivables:

(₹ In lakhs)

Sundry Debtors	Up to 6 months	6 months to 1 year	1 year to 3 years	More than 3 years	Total
As on 31st March, 2018					
Gross Carrying Amount	7,418.72	794.35	407.24	30.21	8,650.52
Specific Provision	-	-	-	-	-
Carrying Amount	7,418.72	794.35	407.24	30.21	8,650.52
As on 31st March, 2017					
Gross Carrying Amount	7,736.75	308.78	-	20.21	8,065.74
Specific Provision	-	-	-	20.21	20.21
Carrying Amount	7,736.75	308.78	-	-	8,045.53

Cash and cash equivalents:

The Company held cash and cash equivalents of ₹ 355.01 lakhs as at 31 March 2018 (Prev Year: ₹ 157.76 lakhs). The cash and cash equivalents are held with reputed banks.

e. Liquidity Risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

(₹ In lakhs)

	Contractual cash flows					
	Carrying amount	Up to 1 year	1-2 years	2-5 years	Less than 5 years	Total
As on 31st March, 2018						
Non-derivative financial liabilities	-	-	-	-	-	-
Borrowings	81,378.56	33,503.05	11,517.85	33,796.14	2,561.52	81,378.56
Interest (Refer note below)	623.91	623.91	-	-	-	623.91
Trade payables	20,652.02	20,652.02	-	-	-	20,652.02
Deposits payable	-	-	-	-	-	-

NOTES FORMING PART OF THE BALANCE SHEET



(₹ In lakhs)

	Carrying amount	Contractual cash flows				
		Up to 1 year	1-2 years	2-5 years	Less than 5 years	Total
As on 31 Mar. 2017						
Non-derivative financial liabilities						
Borrowings	76,969.66	28,970.84	12,878.62	27,713.29	7,406.91	76,969.66
Interest (Refer note below)	47.67	47.67	-	-	-	47.67
Trade payables	27,128.02	27,128.02	-	-	-	27,128.02

f. Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and commodity prices, will affect the Company's income or the value of its financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables, long term debt and commodity prices. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and commodity price risk.

Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through the Statement of profit and loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to Interest rate risk:

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing long term financial instruments is as follows:

(₹ In lakhs)

Particulars	31 st March 2018	31 st March 2017
Fixed-rate instruments:		
Financial liabilities - measured at amortised cost	-	-
Variable-rate instruments:		
Financial liabilities - measured at amortised cost	47,875.40	47,998.82
Total	47,875.40	47,998.82

Cash flow sensitivity analysis for variable-rate instruments: A reasonably possible decrease by 100 basis points in interest rates at the reporting date would have positive impact (before tax) by ₹ 478.75 lakhs and ₹ 479.99 lakhs for the outstanding balance as on 31.3.2018 and 31.3.2017 respectively. Similarly a reasonable possible increase by 100 basis points in interest rate would have negative impact (before tax) by same amounts.

Currency risk:

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee.

To the extent the exposures on purchases and borrowings are not economically hedged by the foreign currency denominated receivables, the Company uses derivative instruments, like, foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange and principal only swap rates. Company does not use derivative financial instruments for trading or speculative purposes.

NOTES FORMING PART OF THE BALANCE SHEET

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies including the use of derivatives like foreign exchange forward contracts to hedge exposure:

Exposure to currency risk:

The currency profile of financial assets and financial liabilities as on 31st March 2018 & 31st March 2017 are as below:

(₹ In lakhs)

	Total	INR	USD
As on 31st March, 2018			
Financial assets			
Cash and cash equivalents	355.01	355.01	-
Short-term loans and advances	2,621.84	2,621.84	-
Trade and other receivables	9,111.16	8,620.31	490.85
Other Non-current financial asset	596.01	596.01	-
Other Current financial asset	2,891.03	2,891.03	-
Exposure for assets (A)	15,575.05	15,084.20	490.85
Financial liabilities			
Long term borrowings	47,875.40	47,875.40	-
Short term borrowings	34,282.77	21,168.54	13,114.23
Interest accrued			
Trade and other payables	24,563.60	17,382.40	7,181.20
Other Current financial liabilities	21,956.87	18,473.05	3,483.82
Non-Current Liabilities	2,944.74	2,944.74	-
Exposure for liabilities (B)	1,31,623.38	1,07,844.13	23,779.25
Net exposure (B-A)	1,16,048.33	92,759.93	23,288.40

	Total	INR	USD
As on 31st March, 2017			
Financial assets			
Cash and cash equivalents	159.56	159.56	
Short-term loans and advances	4,837.50	4,837.50	
Trade and other receivables	8,045.53	6,533.94	1,511.59
Other Non-current financial asset	512.16	512.16	
Exposure for assets (A)	13,554.75	12,043.16	1,511.59
Financial liabilities			
Long term borrowings	47,998.82	47,998.82	-
Short term borrowings	18,174.28	10,142.51	8,031.77
Trade and other payables	27,128.02	9,413.89	17,714.13
Other Current financial liabilities	15,919.74	13,260.43	2,659.31
Exposure for liabilities (B)	1,09,220.86	80,815.65	28,405.21
Net exposure (B-A)	95,666.11	68,772.49	26,893.62

Sensitivity analysis:

A reasonably possible strengthening of the Indian Rupee against USD at March 31 by 4% would have positive impact (before tax) by ₹ 931.54 lakhs and ₹ 1,075.74 lakhs for the net outstanding balance as on 31.3.2018 and 31.3.2017 respectively. Similarly a reasonably possible weakening of the India Rupee against USD would have a negative impact (before tax) by same amounts.

Capital Management

For the purpose of the Company's capital management, capital includes issued capital, convertible instruments and reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments, if any, required in the light of the current economic environment and other business requirements.

Note 42. Standards Issued but not yet effective:

The standard issued, but not yet effective up to the date of issuance of the company financial statement is disclosed below. The Company intends to adopt the standard when it becomes effective.

Amendments to Ind AS 7, Statement of Cash flows

The amendment to Ind AS 7 introduces an additional disclosure that enables users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. Management is of the view that the amendment will have impact only on disclosures in relation to cash flow statement within the financial statements.

IND AS 115 Revenue from Contracts with Customers

IND AS 115 was issued in February 2015 and establishes a five step model to account for revenue arising from contracts with customers. Under IND AS 115 revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled for transferring goods or services to a customer. The new revenue standard will supersede the current revenue recognition requirements under IND AS. The standard comes into force from accounting period commencing on or after 1st April, 2018. The Company will adopt the new standard on the required effective date. The Company is in process of examining the applicability of the standard.

Amendments to Ind AS 102, Share Based payments

The amendment is not relevant for the Company as it does not have any cash-settled share based payments or share based payments with a net-settled feature

Note 43.

The standalone financial statements were authorised for issue in accordance with the resolution passed by the Board of Directors on 29th May 2018.

Note 44.

The figures of previous year have been rearranged & regrouped where ever necessary and / or practicable to make them comparable with those of the current year.

As per our Report attached.	For and on behalf of the Board		
For Chhajed & Doshi Chartered Accountants FRN NO 101794W	Pramod Kumar Jain Chairman & Managing Director DIN 00380458	Bakul Jain Vivek Jain Mudit Jain Managing Directors	(DIN: 00380256) (DIN: 00502027) (DIN: 00647298)
Nitesh Jain Partner Membership No 136169 Place: Mumbai Date : 29th May, 2018	Jigna Karnick Dy. Company Secretary CS NO 24140	Vimal Jain Chief Financial Officer	



DCW LIMITED

Registered office: Dhrangadhra – 363 315, Gujarat
Tel. No.: 22871914, 22871916, 22020743, **Fax:** 22 2202 8838
Email: ho @dcwltd.com | **Website:** www.dcwlttd.com
CIN No.: L24110GJ1939PLC000748

MGT-11

Proxy Form

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

Name of the Member(s) : _____

Registered address : _____

E-mail : _____

Folio no./Client Id/DP Id : _____

No. of shares : _____

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

1. Name: _____

Address : _____

E-mail: _____ Signature _____ or failing him / her

2. Name: _____

Address : _____

E-mail: _____ Signature _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 79th Annual General Meeting of the Company, to be held on Thursday, 27th September, 2018 at 10.00 A.M. at Dhrangadhra – 363 315, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against
Ordinary business			
1.	To consider and adopt the Audited Financial Statements for the year ended 31st March, 2018 and the Reports of the Directors and the Auditors thereon		
2	To appoint a Director in place of Shri Bakul Jain, (DIN : 00380256) who retires by rotation and being eligible, offers himself for reappointment.		
Special Business			
3	To appoint Shri Pradip Madhavji (DIN No. : 00272161) as an Independent Director of the Company		
4	To appoint Shri Krishnamoorthy Krishnan (DIN No. : 008129657) as an Independent Director of the Company.		
5	To reappoint Shri Saatvik Jain as President of the Company		
6	To reappoint Shri Ashish Jain as Sr. President of the Company.		
7	To reappoint Smt. Paulomi Jain as President of the Company .		
8	To reappoint Smt. Malti Bhindi as President of the Company.		
9	To approve payment of Commission to Non-Executive Directors		
10	To approve option to IFCI Ltd. to convert loan into Equity Shares in case of default.		
11	To approve remuneration of the Cost Auditors for the Financial year ending March 31, 2019.		

Signed this _____ day of _____ 2018.

Signature of the proxy holder(s)

Affix Revenue Stamp of Re. 1

Signature of the member

Notes: The instrument of Proxy in order to be effective, should be completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

NOTES

This page is intentionally kept blank





DCW LIMITED

Registered Office : Dhrangadhra - 363 315, Gujarat

Head Office : Nirmal, 3rd Floor, Nariman Point, Mumbai - 400 021

Tel. No. : 22871914, 22871916, 22020743, **Fax :** 22 2202 8838 **Website :** www.dcwlimited.com

CIN No. : L24110GJ1939PLC000748 **Email :** ho@dcwlimited.com

SEVENTY NINTH ANNUAL GENERAL MEETING 2017-18

NOTICE

NOTICE is hereby given that the 79th Annual General Meeting of the Members of DCW LIMITED will be held at 10.00 a.m. on Thursday, 27th September, 2018 at the Registered Office of the Company (at Guest House No. 2) at Dhrangadhra - 363315, Gujarat State, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements for the year ended 31st March, 2018 and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Bakul Jain, (DIN: 00380256) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

3. **Appointment of Shri Pradip Madhavji (DIN No. 00272161) as an Independent Director of the Company.**

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

"RESOLVED THAT pursuant to the provisions of Sections 149A, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) thereof for the time being in force and applicable provisions of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time; Shri Pradip Madhavji (DIN No.00272161) who was appointed as an Additional (Independent) Director by the Board of Directors on 13th November, 2017 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Shri Pradip Madhavji, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years ending 12th November, 2022".

4. **Appointment of Shri Krishnamoorthy Krishnan (DIN No. 08129657) as an Independent Director of the Company**

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

"RESOLVED THAT pursuant to the provisions of Sections 149A, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) thereof for the time being in force and applicable provisions of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time; Shri Krishnamoorthy Krishnan (DIN No. 08129657) who was appointed as an Additional (Independent) Director by the Board of Directors on 22nd May, 2018 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Shri Krishnamoorthy Krishnan be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years ending 21st May, 2023".

5. **Reappointment of Shri Saatvik Jain as President of the Company**

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

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 and the Rules prescribed there under and any statutory modifications thereof for the time being in force, approval of the shareholders of the Company be and is hereby accorded to the reappointment of Shri Saatvik Jain,



as President of the Company for a period of 5 years with effect from 1st March 2019 and for payment of salary of ₹ 8,50,000/- per month in the grade ₹ 8,50,000/- – ₹ 50,000/- – ₹ 11,00,000 to Shri Saatvik Jain as President of the Company along with following perquisites:

- (a) Leave travel allowance: ₹ 30,000/- per annum;
- (b) Reimbursement of medical expenses: ₹ 45,000/- per annum;
- (c) House rent allowance: ₹25,000/- per annum;
- (d) Free use of Company's car with chauffeur for Company's work and personal use, with all costs in respect thereof for petrol, maintenance, insurance, etc. being met by the Company;
- (e) Bonus, provident fund, superannuation and gratuity as per the Rules of the Company; and
- (f) Leave/encashment of leave as per the Rules of the Company."

6. Reappointment of Shri Ashish Jain as Sr. President of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 and the Rules prescribed there under and any statutory modifications thereof for the time being in force, approval of the shareholders of the Company be and is hereby accorded to the reappointment of Shri Ashish Jain, as Sr. President of the Company for a period of 5 years with effect from 1st April 2019 and for the payment of salary of ₹ 8,50,000 per month in the grade of ₹ 8,50,000/- – ₹ 50,000/- – ₹ 11,00,000/- to Shri Ashish Jain as Sr. President of the Company along with following perquisites:

- (a) Leave travel allowance: ₹ 30,000/- per annum;
- (b) Reimbursement of medical expenses: ₹ 45,000/- per annum;
- (c) House rent allowance: ₹ 25,000/- per annum;
- (d) Free use of Company's car with chauffeur for Company's work and personal use, with all costs in respect thereof for petrol, maintenance, insurance, etc. being met by the Company;
- (e) Bonus, provident fund,superannuation and gratuity as per the Rules of the Company; and
- (f) Leave/encashment of leave as per the Rules of the Company."

7. Reappointment of Smt. Paulomi Jain as President of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 and the Rules prescribed there under and any statutory modifications thereof for the time being in force, approval of the shareholders of the Company be and is hereby accorded to the reappointment of Smt. Paulomi Jain, as President of the Company for a period of 5 years with effect from 1st April 2019 and for payment of salary of ₹ 8,50,000/- per month in the grade of ₹ 8,50,000/- – ₹ 50,000/- – ₹ 11,00,000/- to Smt. Paulomi Jain as President of the Company alongwith following perquisites:

- (a) Leave travel allowance: ₹ 30,000 per annum;
- (b) Reimbursement of medical expenses: ₹ 45,000 per annum;
- (c) House rent allowance: ₹ 25,000 per annum;
- (d) Free use of Company's car with chauffeur for Company's work and personal use, with all costs in respect thereof for petrol, maintenance, insurance, etc. being met by the Company;
- (e) Bonus, provident fund, superannuation and gratuity as per the Rules of the Company; and
- (f) Leave/encashment of leave as per the Rules of the Company."



8. Reappointment of Smt. Malti Bhindi as President of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 and the Rules prescribed there under and any statutory modifications thereof for the time being in force, approval of the shareholders of the Company be and is hereby accorded to the reappointment of Smt. Malti Bhindi, as President of the Company for a period of 5 years with effect from 1st April 2019 and for the payment of salary of ₹ 8,50,000/- per month in the grade of ₹ 8,50,000/- – ₹ 50,000/- – ₹ 11,00,000/-, to Smt. Malti Bhindi as President of the Company alongwith following perquisites:

- (a) Leave travel allowance: ₹ 30,000/- per annum;
- (b) Reimbursement of medical expenses: ₹ 45,000/- per annum;
- (c) House rent allowance: ₹ 25,000/- per annum;
- (d) Free use of Company’s car with chauffeur for Company’s work and personal use, with all costs in respect thereof for petrol, maintenance, insurance, etc. being met by the Company;
- (e) Bonus, provident fund, superannuation and gratuity as per the Rules of the Company; and
- (f) Leave/encashment of leave as per the Rules of the Company.”

9. Payment of Commission to Non-Executive Directors.

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

“RESOLVED THAT subject to the provisions of Section 197 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) including any amendment thereto for the time being in force and subject to such permissions, sanctions of appropriate authorities, as may be required, consent of the Company be and is hereby accorded to the payment of the commission computed @ 1% of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act for each financial year to all Non Executive Directors of the Company taken together for a period of 5 financial years from the financial year commencing from 1st April, 2018 subject to a limit of ₹ 3,00,000/- (Rupees three lakhs only) per Director per annum, in addition to the fees payable to them for attending the meetings of the Board of Directors of the Company or any Committee(s) thereof

RESOLVED FURTHER THAT in the event of a Non Executive Director was in the office for part of a year, the commission payable shall be pro-rata for the period he was in the office.

AND RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as may be necessary proper or expedient to give effect to the above resolution”.

10. Option to IFCI Ltd. to convert loan into Equity Shares in case of default.

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

RESOLVED THAT pursuant to the provisions of the Section 62 (3) and other applicable provisions, if any, of the Companies Act, 2013 read with Rules thereto and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to any permissions, sanctions and consents as may be required from any regulatory and other appropriate authorities, the consent of the Company be and is hereby accorded to the Board of Directors of the company (hereinafter referred to as “the Board” which term shall be deemed to include any committee which the Board may constitute for this purpose) to accept and give effect to the option of conversion of the whole or part of the outstanding amount of the Corporate loan granted by IFCI Ltd. (the Lender) to the Company in terms of the corporate loan agreement executed on 23rd September, 2016 with them, (which agreement be and is hereby approved and ratified), into fully paid-up equity shares of the Company as per the pricing of shares formula stipulated by Reserve Bank of India from time to time in the event the Company commits a default in payment or repayment of principle amounts of the loan or interest thereon or any combination thereof to the Lender.



RESOLVED FURTHER THAT though the SDR guidelines are repealed, for the purpose of pricing of the conversion of loan to shares, the applicable guidelines of RBI in respect of pricing of the shares shall be followed for such conversion.

AND RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose or as may be required by any statutory, regulatory and other appropriate authorities for the purpose.”

11. To approve remuneration of the Cost Auditors for the Financial year ending March 31, 2019.

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members of the Company be and is hereby accorded for payment of remuneration as set out in the Explanatory Statement annexed hereto to M/s. Nanabhoy & Co. and M/s. N. D. Birla & Co. the Cost Auditors of the Company appointed by the Board of Directors at their meeting held on May 29, 2018, to conduct the audit of the cost records of the Company for the financial year ending on 31st March, 2019;

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

By Order of the Board of Directors

Jigna Karnick
Dy. Company Secretary

Mumbai, 13th day of August , 2018

Registered Office :
Dhrangadhra - 363 315
Gujarat.

NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

The Proxy Form should be lodged with the Company at the Registered Office at least 48 hours before the time of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

2. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2018 to 27th September, 2018, both days inclusive.
5. Shareholders are requested to promptly notify any changes in their address to the Company's Registrar and Share Transfer Agents, Bigshare Services Pvt. Ltd., (Unit: DCW Limited), 1st floor, Bharat Tin Works Bldg., Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059.



6. Members who have not registered their e-mail id addresses so far are requested to register their e-mail address in case of physical holding with the Company and in case of demat holding with the Depository Participant.
7. Electronic copy of the Notice of the 79th Annual General Meeting of the Company inter alia indicating the e-voting procedure along with the Attendance Slip and Proxy Form is being sent to all the Members whose e-mail address are registered with the Company/Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copies of the Notice of the 79th Annual General Meeting of the Company inter alia indicating the e-voting procedure along with the Attendance Slip and Proxy Form is being sent in the permitted mode.
8. Pursuant to Sections 124 (5) of the Companies Act, 2013 the amount dividend remaining unclaimed for a period of 7 years shall be transferred to the investor education protection fund. Pursuant to Section 124(6) of the Companies Act 2013, all shares in respect of which dividend has not been paid or claimed for 7 consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund Members who have not yet encashed their dividend warrants for the Financial Year ended on 31st March, 2011 and onwards are advised to make their claims without any further delay and the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company (www.dcwlimited.com) and also on the website of the Ministry of Corporate Affairs.

Accordingly, the Company has transferred all the unclaimed dividends declared till the year 2009-2010 to the said Fund. Members who have not encashed their dividend warrants for the financial year ended March 31, 2011 onwards may write to the Company's Registrar and Share Transfer Agents, Bigshare Services Pvt. Ltd., 1st floor, Bharat Tin Works Bldg., Opp. Vasant Oasis, Makwan Road, Marol, Andheri (East), Mumbai – 400 059 for obtaining payment in lieu of such warrants.

9. Members are requested to bring their copy of Annual Report to the Meeting.
10. Members desirous of obtaining any information concerning accounts of the Company are requested to address their questions to the Company Secretary, so as to reach at least 7 days before the date of meeting, to enable the information required to be made available at the Meeting, to the extent possible.
11. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in demat / electronic form, the nomination form may be filed with the respective Depository Participant.
12. Members may also note that the Notice of 79th Annual General Meeting and the Annual Report for the Financial Year 2017-18 will also be available on the Company's website www.dcwlimited.com for download.
13. Profile of Director seeking re-appointment

Shri Bakul Jain holds a Master degree in Management from IMD, Lausanne, Switzerland. Shri Bakul Jain is having good knowledge and experience in the manufacturing industry. He was appointed on the Board in the year 1996, prior to which he was President of the Company. Shri Bakul Jain is a Director of Sahu Brothers Pvt. Ltd., B.J. Holdings Pvt. Ltd., Canvas Shoe Co. (Goa) Pvt. Ltd., J.K. Tyres and Industries Ltd., DPB Holdings Pvt. Ltd., Lifestyle Trade Links (India) Pvt. Ltd., Jain Sahu Brothers (Investments) Pvt. Ltd., DCW Pigments Limited, Cashco Holding Pvt. Ltd. Bengal Assam Company Limited and Managing Committee Member of Western India Automobile Association. He is a member of the Corporate Social Responsibility Committee and Stakeholders Relationship Committee of the Board.

14. Voting through electronic means:

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Services (India) Limited (NSDL).



15. The instructions for Members for voting electronically are as under:

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolutions placed by the Company on e-Voting system.

The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or www.dcwlimited.com of the e-voting period commences on 24/09/2018 at 10.00 a.m. and ends on 26/09/2018 at 5.00 p.m.

During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting rights of members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company as on the cut-off date of 20/09/2018. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cutoff date i.e. 20/09/2018 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or www.dcwlimited.com

The facility for voting through Polling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot Paper.

INSTRUCTIONS FOR E-VOTING

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***



5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly



authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to skjaincs1944@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to evoting@nsdl.co.in

General Instructions

The Board of Director has appointed Dr. S. K. Jain, Practicing Company Secretary (Membership No. 1473) and Proprietor of S. K. Jain & Co. as the Scrutinizer to the e-voting process, (including voting through Ballot forms received from Members) and remote e-voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or to a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

The Scrutinizer shall submit his report to the Chairman who shall declare the results of the voting. The result declared alongwith the Scrutinizer Report shall be placed on the Company website www.dcwlimited.com and on the website of NSDL immediately after the declaration of result by the Chairman or by a person duly authorized by him in writing. The results shall also be forwarded to The BSE Limited and National Stock Exchange of India Limited where the equity shares of the Company are listed. The Resolution shall be deemed to be passed at the Annual General Meeting of the Company Schedule to be held on 27/09/2018.

Annexure to the Notice

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("the Act")

ITEM NO. 3

Shri Pradip Madhavji was appointed as an Additional Director by the Board of Directors of the Company at their meeting held on November 13, 2017. Shri. Pradip Madhavji holds office upto the date of this Annual General Meeting.

Shri Pradip Madhavji is B.A., B.Com and LLB and was Executive Chairman of Thomas Cook India Ltd. Shri Pradip Madhavji was also the Honorary Consul for New Zealand based in Mumbai.

During the period of his close association with New Zealand he was appointed as Chairman of India Beachheads Advisory Board for providing entry support to KIWI companies desiring to establish business connections with India. In the year 2013, the Republic of Colombia conferred on him the prestigious position of Honorary Consul based in Mumbai. He is a Director on the Board of India Gelatine & Chemicals Ltd.

The Company has received a notice from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Pramod Madhavji as Director at the forthcoming Annual General Meeting.

Shri Pradip Mahavji's vast experience in the Corporate world will be beneficial for the Company and Board of Directors of the Company therefore recommends his appointment as a Director, Shri Pradip Madhavji will be an Independent Director and has given a declaration that he meets with the criteria of independence as provided in Sub-Section 6 of Section 149 of the Companies Act, 2013

Shri Pradip Madhavji is concerned or interested in the resolution since it pertains to his appointment.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested in the said Resolution.



ITEM NO. 4

Shri. Krishnamoorthy Krishnan was appointed as an Additional Director by the Board of Directors of the Company at their meeting held on 22nd May, 2018. Shri. Krishnamoorthy Krishnan holds office upto the date of this Annual General Meeting. Shri. Krishnamoorthy Krishnan is a practicing Chartered Accountant having 25 years practice in Sales Tax, Income Tax, Service Tax, and presently in GST. He was pursuing the profession of teaching in the subjects of Finance – Basics, Advanced and Management and was in the onsite faculty for Champlaine College, Vermont, USA.

The Company has received a notice from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Shri. Krishnamoorthy Krishnan as Director at the forthcoming Annual General Meeting.

Shri Krishnamoorthy Krishnan's qualification and his vast experience as a practicing Chartered Accountant will be beneficial for the Company and therefore the Board of Directors recommends his appointment as a Director of the Company. Shri Krishnamurthy Krishnan will be an Independent Director and has given a declaration that he meets with the criteria of independence as provided in Sub-Section 6 of Section 149 of the Companies Act, 2013

Shri Krishnamoorthy Krishnan is concerned or interested in the resolution since it pertains to his appointment.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested in the said Resolution.

ITEM NO. 5

Shri Saatvik Jain looks after the PVC & CPVC divisions of the Company. Shri Saatvik Jain was appointed as the President of the Company by the members of the Company at their 75th Annual General Meeting held on August 13, 2014 for a period of 5 years with effect from March 1, 2014 and has been discharging his duties as President since then.

The Nomination and Remuneration Committee of the Board of Directors at their meeting held on 29th May, 2018 recommended for the re-appointment of Mr. Saatvik Jain as President of the Company. Board of Directors at their meeting held on 29th May, 2018 has reappointed Shri Saatvik Jain as President of the Company for a period of 5 years with effect from 1st March 2019, subject to the approval of the shareholders of the Company.

Mr. Saatvik Jain is the son of Shri Vivek Jain , Managing Director of the Company. Mr. Vivek Jain is therefore concerned or interested in the resolution set out in item no.5 of the notice. The relatives of Mr. Vivek Jain may be deemed to be interested in the resolution set out at item no. 5 of the notice to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolution

ITEM NO. 6

Shri Ashish Jain is in charge of the Soda Ash Division of the Company. Shri Ashish Jain was appointed as the Sr. President of the Company by the members of the Company at their 75th Annual General Meeting held on August 13, 2014 for a period of 5 years with effect from April 1, 2014 and has been discharging his duties as Sr. President since then.

The Nomination and Remuneration Committee of the Board of Directors at their meeting held on 29th May, 2018 recommended to the re-appointment of Mr. Ashish Jain as Senior President of the Company. Board of Directors at their meeting held on 29th May, 2018 has reappointed Shri Ashish Jain as Senior President of the Company for a period of 5 years with effect from 1st April 2019, subject to the approval of the shareholders of the Company.

Mr. Ashish Jain is the son of Shri Pramod Kumar Jain, Chairman & Managing Director of the Company. Shri Pramod Kumar Jain is therefore concerned or interested in the resolution set out in item no. 6 of the notice. The relatives of Shri Pramod Kumar Jain may be deemed to be interested in the resolution set out at item no. 6 of the notice to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolution.



ITEM NO. 7

Smt. Paulomi Jain looks after the expansion and diversification programmes of the Company. Smt. Paulomi Jain was appointed as the President of the Company by the members of the Company at their 75th Annual General Meeting held on August 13, 2014 for a period of 5 years with effect from April 1, 2014 and has been discharging her duties as President since then.

The Nomination and Remuneration Committee of the Board of Directors at their meeting held on 29th May, 2018 recommended to the re-appointment of Smt. Paulomi Jain as President of the Company. Board of Directors at their meeting held on 29th May, 2018 has reappointed Smt. Paulomi Jain as President of the Company for a period of 5 years with effect from 1st April 2019, subject to the approval of the shareholders of the Company.

Smt. Paulomi Jain is the wife of Shri Bakul Jain, Managing Director of the Company. Shri Bakul Jain is therefore concerned or interested in the resolution set out in item no. 7 of the notice. The relatives of Shri Bakul Jain may be deemed to be interested in the resolution set out at item no. 7 of the notice to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolution

ITEM NO. 8

Smt. Malti Bhindi looks after the public relations of the Company. Smt. Malti Bhindi was appointed as the President of the Company by the members of the Company at their 75th Annual General Meeting held on August 13, 2014 for a period of 5 years with effect from April 1, 2014 and has been discharging her duties as President since then.

The Nomination and Remuneration Committee of the Board of Directors at their meeting held on 29th May, 2018 recommended to the re-appointment of Smt. Malti Bhindi as President of the Company. Board of Directors at their meeting held on 29th May, 2018 has reappointed Smt. Malti Bhindi as President of the Company for a period of 5 years with effect from 1st April 2019, subject to the approval of the shareholders of the Company.

Smt. Malti Bhindi is the wife of Shri Mudit Jain, Managing Director of the Company. Shri Mudit Jain is therefore concerned or interested in the resolution set out in item no. 8 of the notice. The relatives of Shri Mudit Jain may be deemed to be interested in the resolution set out at item no. 8 of the notice to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolution

ITEM No. 9

Members of the Company at their Extra ordinary General Meeting held on 19th December, 2013 had approved payment of commission to all Non Executive Directors of the Company taken together @1% of the net profits of the Company calculated in accordance with the provisions of section 198(1) of the Companies Act, 2013 for each Financial Year, for a period of 5 financial years commencing from 1st April, 2013 subject to a limit of ₹ 3,00,000/- (Rupees three lakhs only) per Director per annum, in addition to the fees payable to them for attending the meetings of the Board of Directors of the Company or any committee (s) thereof. The said period expired on March 31, 2018.

Accordingly, approval of the Shareholders is sought under the applicable provisions of the Companies Act, 2013 for payment of remuneration by way of commission to the non executive directors of the Company for a period of five financial years commencing from April 1, 2018 as set out in Resolution at Item No. 9 of the Notice.

The Board recommends the resolution set out under Item No. 9 of the Notice for approval by the shareholders. Non Executive Directors are interested in the resolution since they will be entitled for payment of commission under the said resolution. Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolution.



ITEM NO. 10

The Company has been granted a Corporate Loan of ₹ 100 crores by IFCI Ltd. on the terms and conditions as set out in the Corporate Loan Agreement executed by the Company with IFCI Ltd. on 23rd September, 2016. The said terms and conditions inter alia consist that if the Company commits a default in payment or repayment of principle amounts of the loan or interest thereon or any combination thereof, then the Lender shall have the right to convert at their option the whole or part of the outstanding amount of the loan into fully paid-up equity shares of the Company as per the pricing of shares formulae stipulated by Reserve Bank of India from time to time.

As per Section 62(3) of the Companies Act, 2013, the Company will not be required to comply with the provisions of Section 62 (1) of the Act in relation to increase of the subscribed capital of the Company by further issue of shares, if shares are issued pursuant to an option attached to loan raised by the Company to convert such loans or part thereof into shares in the Company and such terms of conversion have been approved prior to raising of loan by a special resolution passed by the Company in General Meeting.

In view of the above, the Board recommends the said resolution for approval of the shareholders as a special resolution. None of the Directors / Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in this resolution.

ITEM NO. 11:

The Board, on the recommendations of the Audit Committee, has approved the re-appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019, as per the details given below:

Sr. No	Name of the Cost Auditor	Industry	Audit Fees (₹)
1	Nanabhoy & Company	Chemicals (Caustic Soda)	85000/- (Rupees Eighty five thousand only)
2	N. D. Birla & Company	Chemicals (Soda Ash)	65000/- (Rupees Sixty five thousand only)

In accordance with the provision of the Section 148 of the Companies Act, 2013, the remuneration payable to the cost Auditors has to be determined by the shareholders of the Company. Accordingly, consent of the Members is sought for passing an Ordinary resolution as set out at item No. 11 of the Notice for payment of remuneration to the Cost Auditors for the financial year ending on March 31, 2019.

None of the Directors/Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

By Order of the Board of Directors

Jigna Karnick
Dy. Company Secretary

Mumbai, 13th day of August , 2018

Registered Office :
Dhrangadhra - 363 315
Gujarat.

THIS PAGE IS INTENTIONALLY LEFT BLANK



DCW LIMITED

Registered office: Dhrangadhra – 363 315, Gujarat

Tel. No.: 22871914, 22871916, 22020743, **Fax:** 22 2202 8838

Email: ho @dcwlimited.com | **Website:** www.dcwlimited.com

CIN No.: L24110GJ1939PLC000748

MGT-11

Proxy Form

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

Name of the Member(s) : _____

Registered address : _____

E-mail : _____

Folio no./Client Id/DP Id : _____

No. of shares : _____

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

1. Name: _____

Address : _____

E-mail: _____ Signature _____ or failing him / her

2. Name: _____

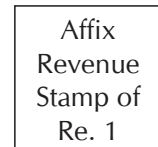
Address : _____

E-mail: _____ Signature _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 79th Annual General Meeting of the Company, to be held on Thursday, 27th September, 2018 at 10.00 A.M. at Dhrangadhra – 363 315, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against
Ordinary business			
1.	To consider and adopt the Audited Financial Statements for the year ended 31st March, 2018 and the Reports of the Directors and the Auditors thereon		
2	To appoint a Director in place of Shri Bakul Jain, (DIN : 00380256) who retires by rotation and being eligible, offers himself for reappointment.		
Special Business			
3	To appoint Shri Pradip Madhavji (DIN No. : 00272161) as an Independent Director of the Company		
4	To appoint Shri Krishnamoorthy Krishnan (DIN No. : 008129657) as an Independent Director of the Company.		
5	To reappoint Shri Saatvik Jain as President of the Company		
6	To reappoint Shri Ashish Jain as Sr. President of the Company.		
7	To reappoint Smt. Paulomi Jain as President of the Company .		
8	To reappoint Smt. Malti Bhindi as President of the Company.		
9	To approve payment of Commission to Non-Executive Directors		
10	To approve option to IFCI Ltd. to convert loan into Equity Shares in case of default.		
11	To approve remuneration of the Cost Auditors for the Financial year ending March 31, 2019.		

Signed this _____ day of _____ 2018.



Signature of the proxy holder(s)

Signature of the member

Notes: The instrument of Proxy in order to be effective, should be completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.



DCW LIMITED

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

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

79th ANNUAL GENERAL MEETING

Name(s) of Shareholder(s) (including joint holders if any)	
Registered Address of the Sole/ First Named Shareholders	
Folio No. / Client ID / DP ID	
No. of Shares	

I hereby record my presence at the SEVENTY NINETH ANNUAL GENERAL MEETING of the Company being held at 10.00 a.m. on Thursday, 27th September, 2018 at Dhrangadhra – 363 315, Gujarat.

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

ELECTRONIC VOTING PARTICULARS

Electronic Voting Event Number	User ID	Password / PIN

Note: Please read the Complete instructions given under the Note No. 14 & 15 (Procedure for e-Voting through electronic means) to the Notice of Annual General Meeting. The voting time commences on Monday, 24th September, 2018 at 10.00 a.m. and ends on Wednesday, 26th September, 2018 at 5.00 p.m. The voting module shall be disabled by NSDL for voting thereafter.