



**JAYSHREE CHEMICALS LTD.**

Annual Report 2015-16

## Corporate Information

### BOARD OF DIRECTORS

Shri S. K. Bangur  
Chairman

Shri Virendraa Bangur  
Managing Director

Shri D. D. Kothari  
Director

Shri Prabir Chakravarti  
Director

Shri Satish Kapur  
Director

Smt. Sindhubala Choudhury  
Director

Shri B .K. Mishra  
Director (IDCOL Nominee)

Shri Prabhu Nath Ojha  
Executive Director

### COMPANY SECRETARY

Shri S. K. Lahoti

### CHIEF FINANCIAL OFFICER

Shri Pawan Kumar Gupta

### BANKERS

State Bank of India  
State Bank of Bikaner and Jaipur  
Indian Overseas Bank  
Kotak Mahindra Bank

### AUDITORS

Messrs. K. N. Gutgutia & Company  
Chartered Accountants  
6C, Middleton Street, Kolkata – 700071

### REGISTERED OFFICE & WORKS

P.O. Jayshree - 761025  
District : Ganjam (Odisha)  
Phone : (06811) 254319 / 329  
Fax : (06811) 254384  
CIN : L24119OR1962PLC007123

### CORPORATE OFFICE

31, Chowringhee Road  
Kolkata - 700016  
Phone : (033) 2265 6271 (8 Lines)  
Fax : (033) 22263257  
E-mail : [jcl@jayshreechemicals.com](mailto:jcl@jayshreechemicals.com)  
Website : [www.jayshreechemicals.com](http://www.jayshreechemicals.com)

### REGISTRARS & SHARE TRANSFER AGENT

Niche Technologies Private Ltd.  
D-511, Bagree Market  
71, B. R. B. Basu Road, Kolkata – 700001  
Phone : (033) 2235 7270-71  
Fax : (033) 2215 6823  
E-mail : [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

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# Directors' Report

TO THE MEMBERS

The Directors have pleasure in presenting herewith their Annual Report together with the audited Accounts of the Company for the year ended 31st March, 2016.

## FINANCIAL RESULTS (summary)

	31.03.2016 ₹	31-03-2015 ₹
Profit/(Loss) for the year	19,54,29,987	(28,27,15,333)
Less/(Add) :		
Income Tax/ FBT for earlier years	4,50,413	23,10,696
	19,49,79,574	(28,50,26,029)
Add: Debit Balance brought forward	(35,74,91,833)	(7,24,65,804)
Balance carried forward to next year	(16,25,12,259)	(35,74,91,833)

## OPERATING RESULTS

During the year under review, your Company has achieved production of 20382 MT of Caustic Soda upto 20th September, 2015, generated Wind Power of 338149 kwh and earned Commission of ₹ 15.82 lacs in its Indenting Business.

Sale of the Company's Chlor Alkali Manufacturing facility at Ganjam in Odisha and Salt Manufacturing Facility at Pundi in Andhra Pradesh on "as is where is basis" on a slump sale as a going concern to Aditya Birla Chemicals (India) Ltd. at a lump sum consideration of ₹ 212 Crores was completed on 20th September, 2015.

## INDUSTRIAL RELATIONS

Relations with the staff and workers remained cordial.

## GENERAL

The Company has already been accredited with ISO 9001-2008, ISO 14001-2004 and ISO-18000 certifications by DNV.

The welfare activities and other community development programmes around the Factory including aid to educational institutions were continued. The result of the students of Jayshree Chemicals School at Ganjam, who appeared in the ICSE and ISC examinations during the year was cent percent.

The Company's Shares are listed on the Bombay Stock Exchange Ltd. and the Listing Fees for the year ended 31st March, 2016 has been paid.

The Company's Shares are available for dematerialisation both on National Securities Depository Ltd. and Central Depository Services (India) Ltd. The Company's ISIN No. is INE 693E01016.

The Board of Directors of the Company has decided in-principle to set up a plant for manufacture of Mono Chloro Acetic Acid and its derivatives at Panagarh Industrial Park, Durgapur (West Bengal) and application for allotment of land has since been made to West Bengal Industrial Development Corporation Ltd.

## SAFETY

The Company had adequate system for Industrial Safety. There was no accident upto 20th September, 2015.

## ENVIRONMENT

As reported earlier, your Company has implemented 'CHARTER ON CORPORATE RESPONSIBILITY FOR ENVIRONMENTAL PROTECTION' (CREP). It has taken all required steps to fully comply with statutory environmental regulations.

## STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF THE SUBSIDIARY

Pursuant to sub-section (3) of Section 129 of the Companies Act, 2013 the statement containing the salient features of the financial statement of the Company's subsidiary, is given as Annexure 1.

Further, brief about the business of the Subsidiary i.e. East Coast Powers Limited ("ECPL") is as under:

The ECPL has not commenced its business operations. However, it has earned interest on Term Deposits with Bank. Approval of the Government of Odisha for Hydrel Project from 24.7 MW to 20 MW, 6 MW and 6 MW aggregating to 32 MW is awaited. On receipt of the same a formal Memorandum of Understanding will be entered into between the Company and the Government of Odisha. Thereafter, the Detailed Project Reports will be submitted to the Government of Odisha for approval.

As required under the Companies Act, 2013 the Board of Directors of the Company has by a resolution given consent for not attaching the balance sheet of ECPL for the year ended 31st March, 2016. Accordingly, the annual Accounts of the ECPL are not annexed to the Accounts of the Company. However, the same for the above year and the related detailed information including a hard copy thereof shall be made available at any point of time to those shareholders of the Company who seek the same. Annual Accounts of ECPL shall also be kept for inspection by any shareholder at the Registered Office of the Company.

## Directors' Report

### CONSOLIDATED FINANCIAL STATEMENTS

As required under Accounting Standard 21, Consolidated Financial Statements of the Company together with its subsidiary, East Coast Powers Ltd., are annexed.

### CAPITAL / FINANCE

As on 31st March, 2016, the issued, subscribed and paid up share capital of your Company stood at ₹ 29,32,64,570/-, comprising of 2,93,26,457 Equity shares of ₹ 10/- each.

Details required pursuant to Section 134(3) of Companies Act, 2013

#### a) Extract of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 ('the Act') and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return in Form MGT-9 is Annexed as Annexure 2.

#### b) Details of Board Meetings

During the year 2015-16, 6 Board Meetings were held, details of which are given below:

Date of the Meeting	No. of Directors, who attended the Meeting
14/05/2015	4
13/08/2015	7
22/08/2015	5
09/11/2015	6
09/02/2016	8
16/03/2016	6

A detailed note on the Board and its Committees is also provided under Corporate Governance Report Section.

The Composition of the Committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

### COMMITTEES OF BOARD

#### Audit Committee

Sl. No.	Name	Chairman/ Members
1	Shri Prabir Chakravarti	Chairman
2	Shri D.D. Kothari	Member
3	Shri Satish Kapur	Member
4	Smt. Sindhubala Choudhury	Member

During the year, the Committee met on 14/05/2015; 13/08/2015; 09/11/2015 and 09/02/2016.

#### Nomination and Remuneration Committee

Sl. No.	Name	Chairman/ Members
1	Prabir Chakravarti	Chairman
2	Shri Satish Kapur	Member
3	Smt. Sindhubala Choudhury	Member

During the year, the Committee met twice on 13/08/2015 and 16/03/2016.

#### Stakeholders Relationship Committee

Sl. No.	Name	Chairman/ Members
1	Shri Prabir Chakrabarti	Chairman
2	Shri P. N. Ojha	Member
3	Shri Virendraa Bangur	Member

During the year, the Committee met four times on 14/05/2015; 29/05/2015; 09/09/2015 and 29/02/2016.

#### Corporate Social Responsibility Committee

Sl. No.	Name	Chairman/ Members
1	Shri Shree Kumar Bangur	Chairman
2	Shri Virendraa Bangur	Member
3	Shri Prabir Chakravarti	Member

No Meeting was held during the year.

#### c) Directors' Responsibility Statement

Pursuant to the requirements of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 of the Company for that period;
- the Directors had taken proper and sufficient care for 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 fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis;
- 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; and
- the Directors had devised proper systems to ensure

## Directors' Report

compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### d) Declaration by Independent Directors

Shri Prabir Chakravarti, Shri D. D. Kothari, Shri Satish Kapur and Smt. Sindhubala Choudhury are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfil the conditions specified in Section 149 of the Companies Act, 2013 and the Rules made thereunder about their status as Independent Directors of the Company.

### Disclosure on Reappointment of Independent Directors:

Shri Prabir Chakravarti, Shri D. D. Kothari, Shri Satish Kapur and Smt. Sindhubala Choudhury were appointed as Independent Directors on the Board of your Company for a period of 3 Consecutive years with effect from 27th September, 2014. Reappointment of Independent Directors will be done when the need arises in compliance with the Companies Act, 2013.

### e) Company's policy on Directors' appointment and remuneration as per Section 178(3)

1. Directors' appointment and remuneration policy is based on the provisions contained in the Companies Act, 2013, the Rules made thereunder and the Listing Agreement.
2. Remuneration of Key Managerial Personnel and other employees is based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors on the basis of experience and exposure in the prescribed fields.

### APPOINTMENT POLICY

The appointment policy for Independent Directors, Key Managerial Personnel & Senior Executives is as under-

#### (A) Independent Directors :

Independent Directors are appointed based on the criteria mentioned in Section 149(6) of the Companies Act, 2013 and in accordance with other applicable provisions of the Companies Act, 2013, Rules made thereunder and the Listing Agreement entered into with the Bombay Stock Exchange Ltd.

#### (B) Key Managerial Personnel (KMP) :

Based on the recommendation of the Nomination and Remuneration Committee, KMP are appointed by the Board of Directors of the Company, based on the qualification, experience and exposure in the

prescribed fields. Removal of the KMP is done by the Board of Directors of the Company. Appointment / Removal is in accordance with the provisions of the Companies Act, 2013, Rules made thereunder and the Listing Agreement entered into with the Bombay Stock Exchange.

Shri R. K. Gupta ceased to be the Company Secretary with effect from 30/01/2016 by resignation.

#### (C) Senior Executives :

Senior Executives are appointed by the Managing Director and/or the Executive Director of the Company based on their qualification, experience & exposure. Removal of the Senior Executives is done by the Managing Director and/or the Executive Director. Appointment and removal is noted by the Board of Directors of the Company as required under clause 8(3) of the Companies (Meetings of Board and its Powers) Rules, 2014.

### f) Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made:-

- i) by the Auditors in their report:  
No qualification or reservation has been observed by the Auditors in their Report.
- ii) by the Company Secretary in Practice in his Secretarial Audit Report:  
No qualification or reservation has been observed by the Secretarial Auditor in his Report.

### g) Particulars of loans, guarantees or investments under Section 186.

The Board approved the unsecured loan of ₹ 16,00,000/- at its Meeting held on 12th August, 2014 to East Coast Powers Ltd. a subsidiary of the Company, bearing interest @ 16.5% per annum.

### h) Particulars of contracts or arrangements with related parties referred to in Sub-section (1) of Section 188.

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 is annexed herewith [in Form AOC-2] as Annexure-3.

### i) The state of the Company's affairs.

Due to continuous losses, the Board has approved in its Meeting held on 8th September, 2014 sale of the Company's Chlor Alkali Manufacturing Facility at Ganjam in Odisha and Salt Manufacturing Facility at Pundi in Andhra Pradesh on "as is where is basis" on a slump sale as a going concern to Aditya Birla Chemicals (India) Ltd. at a lump sum

## Directors' Report

consideration of ₹ 212 Crores. The Company has since completed this sale on 20th September, 2015.

**j) Amount proposed to be carried to reserves.**

The Company proposes to carry ₹ (1625.12) Lacs to reserves.

**k) Recommendation of Dividend**

The Board has not recommended any dividend for the financial year ended 31st March, 2016.

**l) Material changes and commitments, affecting the financial position of the Company:**

There has been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

**m) Details of conservation of energy, technology absorption, foreign exchange earnings and outgo:**

Due to continuous losses, the Board has approved in its Meeting held on 8th September, 2014 sale of the Company's Chlor Alkali Manufacturing facility at Ganjam in Odisha and Salt Manufacturing Facility at Pundi in Andhra Pradesh on "as is where is basis" on a slump sale as a going concern to Aditya Birla Chemicals (India) Ltd. at a lump sum consideration of ₹ 212 Crores. The Company has since completed this sale on 20th September, 2015.

**Foreign exchange earnings and Outgo**

During the year, total foreign exchange earned was ₹ 15.82 Lakhs.

**n) Development and implementation of risk management policy**

As per the requirements of the Act, the Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically.

The Risk Management Policy of the Company identifies, evaluates and mitigates the operational, strategic and external environment risks. For the same a Committee which has overall responsibility for monitoring and approving the risk policies and associated practices of the Company has been formed and it reviews the risks associated with the Company periodically.

The Policy determines the role of the Risk Management Committee of the Company which has been constituted to assist the Board of Directors of the Company in fulfilling its Corporate Governance oversight responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environment risks. The Risk Management Committee has overall responsibility for

monitoring and approving the risk policies and associated practices of the Company.

**o) Policy of the Company on Corporate Social Responsibility.**

Pursuant to Section 135(1) of the Companies Act, 2013 Corporate Social Responsibility Committee (CSR Committee) has been constituted and CSR policy has been adopted. As and when your Company fulfills the criteria specified in Section 135(1) of the Companies Act, 2013, it will approve the CSR Budget. As no CSR activity has been carried no Report on CSR Activities/ Initiatives is enclosed along with this Report.

**p) Formal annual evaluation by the Board of its own performance and that of its committees and individual directors**

Complied with the provisions of the Companies Act, 2013 and the Listing Agreement.

**q) Matters pursuant to Companies (Accounts) Rules, 2014**

Shri S.K. Lahoti was appointed as the Company Secretary of the Company with effect from 9th February, 2016.

**r) Ratio of Directors Remuneration to Median Employees' Remuneration & other as per Rule 5(1) to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

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

Ratio of remuneration of Shri Virendraa Bangur (Managing Director) to the median remuneration of the employees: 4211.82%

Ratio of remuneration of Shri Prabhu Nath Ojha (Executive Director) to the median remuneration of the employees: 1640.73%

None of the other Directors received any remuneration other than the sitting fees for attending meetings of the Board or any Committee of the Board.

(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Percentage increase in remuneration of Shri Virendraa Bangur (Managing Director) : Nil

Percentage decrease in remuneration of Shri Prabhu Nath Ojha (Executive Director) : (20.46%)

Percentage increase in remuneration of Shri Pawan Kumar Gupta (Chief Financial Officer): 8.56%

Percentage increase in remuneration of Shri S.K. Lahoti, Company Secretary: 27.62%

## Directors' Report

- (iii) The percentage increase in the median remuneration of employees in the financial year:

During F.Y. 2015-2016, the percentage increase in the median remuneration of employees as compared to previous year was not comparable because the Company has sold its Chloro-Alkali Manufacturing Unit at Ganjam, Odisha and Salt Fields at Pundi, Andhra Pradesh on slump sale basis on "as is where is basis" from 21.09.2015 to Aditya Birla Chemicals (India) Limited. Due to this most of the employees of the Company became employees of Aditya Birla Chemicals (India) Limited from the said date.

- (iv) The number of permanent employees on the rolls of Company:

10 permanent employees were on the rolls of the Company at the close of the financial year.

- (v) The explanation on the relationship between average increase in remuneration and company Performance:

As the Company was incurring losses, only minimum increases were given to its employees.

- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Total remuneration paid to the Key Managerial Personnel of the Company during the year: Rs.1,01,95,740/-

As the Company is incurring losses, only minimum increase was given to Shri Pawan Kumar Gupta and Shri S.K.Lahoti and decrease in salary of Shri Prabhu Nath Ojha. Shri Virendraa Bangur was not entitled for any increase.

- (vii) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.

Market Capitalisation as on 31/03/2016: ₹ 7.08 \* 29326457 = ₹ 20,76,31,316

Market Capitalisation as on 31/03/2015: ₹ 4.96 \* 29326457 = ₹ 14,54,59,227

Price Earning ratio as on 31/03/2016 : 7.08 / 6.65 = 1.06

Price Earning ratio as on 31/03/2015 : 4.96 / - 6.16 = (0.805)

% increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer =  $\frac{(15-7.45)}{15} * 100 = 50.33\%$  (decrease)

- (viii) Average percentile increase already made in the salaries of employees other than the Managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification

thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During F.Y. 2015-2016, the percentage increase in the salaries of employees other than the Managerial personnel as compared to previous year was not comparable because the Company has sold its Chloro-Alkali Manufacturing Unit at Ganjam, Odisha and Salt Fields at Pundi, Andhra Pradesh on slump sale basis on "as is where is basis" from 21.09.2015 to Aditya Birla Chemicals (India) Limited. Due to this most of the employees of the Company became employees of Aditya Birla Chemicals (India) Limited.

- (ix) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;

As the Company was incurring losses, only minimum increase was given to Shri Pawan Kumar Gupta and Shri S.K.Lahoti. Shri Virendraa Bangur was not entitled for any increase. Shri P. N. Ojha was re-appointed on reduced remuneration.

- (x) The key parameters for any variable component of remuneration availed by the directors:

The remuneration availed by the directors during the year did not consist of any variable component.

- (xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

No employee received remuneration in excess of the remuneration paid to the managing / Executive Director during the year.

- (xii) Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company follows its remuneration policy in fixing the remuneration of its employees or directors.

### GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights, sweat equity shares or ESOP.
3. Neither the Managing Director nor the Whole-time Director of the Company receive any remuneration or commission from the Subsidiary.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.

## Directors' Report

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### INTERNAL FINANCIAL CONTROLS

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. All transactions are authorised, recorded and reported correctly. Internal Audits and checks are carried out regularly.

### VIGIL MECHANISM

Pursuant to the requirements of the Section 177 (9) of the Companies Act 2013, the Company has established Vigil (Whistle Blower) Mechanism which aims to provide a channel to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization of directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

### STATUTORY AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS

In the last AGM held on 4th September, 2015 M/s. K. N. Gutgutia & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of one year.

Approval for re-appointment of Statutory Auditors M/s. K. N. Gutgutia & Co., Chartered Accountants having Firm Registration No. 304153F on the terms and conditions as approved by the Audit Committee of the Company and as recommended by the Board of Directors of the Company, is being sought from the members of the Company at the ensuing AGM.

Report of the Statutory Auditors alongwith Notes to Schedules is enclosed to this Report. The observations made in the Auditors' Report are self-explanatory and do not call for any further comments.

### COST AUDIT

As per the Cost Audit Orders, Cost Audit is applicable to the Company's Caustic Soda, Liquid Chlorine, Hydrochloric Acid and

Sodium Hypochlorite products for the year 2015-16.

In terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, Shri S. P. S. Dangji, Cost Accountant of 339, Saket Nagar, Indore (M.P.), who is a Fellow Member of the Institute of Cost & Works Accountants of India having Membership No.752 has been appointed as Cost Auditor to conduct the audit of cost records of your Company relating to Caustic Soda for the financial year ending on 31st March 2016.

### SECRETARIAL AUDIT

In terms of Section 204 of the Act and the Rules made there under, Shri Arun Kumar Jaiswal, Practicing Company Secretary was appointed as Secretarial Auditor of the Company. The Report of the Secretarial Auditor is enclosed as Annexure 4 to this Report. The Report is self-explanatory and do not call for any further comments.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Prabhu Nath Ojha, a Director of the Company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for reappointment.

Shri Prabhu Nath Ojha has been re-appointed as the Executive Director of the Company for a further period of two years with effect from 1st April, 2016.

Shri Virendraa Bangur has been re-appointed as the Managing Director of the Company for a further period of three years with effect from 12th November, 2016.

### TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company has ₹ 92,806.50/- lying unpaid or unclaimed against Dividend for the year 2008-09 (A/c No.135103000002301) and ₹ 54,793/- against the Interim Dividend for the year 2009-10 (A/c.No. 135103000002813). These amounts will become due for transfer to the Investor Education and Protection Fund on 2nd September, 2016 and 25th November, 2016 respectively. These amounts will be transferred to the Investor Education and Protection Fund on their respective due dates.

Pursuant to the provisions of the Investor Education and Protection Fund (Uploading of information regarding Unpaid and Unclaimed Amounts lying with Companies) Rules, 2012, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company as on the date of the last AGM (i.e. 4th September, 2015) with the Ministry of Corporate Affairs.

### FIXED DEPOSITS

Your Company has not accepted any deposit from public in terms of Section 73 of the Companies Act, 2013.

# Directors' Report

## MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis comprising an overview of the financial results, operations / performance and future prospects of the Company is annexed and forms part of this Report.

## HUMAN RESOURCES

Your Company treats its human resources as one of its most important assets.

## PARTICULARS OF EMPLOYEES

The Company had no employee drawing remuneration specified under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the year under review. Accordingly, the particulars required under the above Rule have not been given.

## CORPORATE GOVERNANCE

As per the Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, a Separate Section on Corporate Governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

## ACKNOWLEDGEMENT

Your Directors place on record their appreciation for employees at all levels, who contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

### On behalf of the Board

**Virendraa Bangur**  
*Managing Director*  
(DIN : 00237043)

**Prabir Chakravarti**  
*Director*  
(DIN: 00273523)

**Prabhu Nath Ojha**  
*Executive Director*  
(DIN : 00592544)

Place : Kolkata

Date : 30th May, 2016

## Annexure 1 to the Directors' Report

### Statement containing salient features of the financial statement of subsidiary

#### Part "A": Subsidiaries

(Amount in ₹)

	Name of Subsidiary	East Coast Powers Limited	
		As at 31.03.2016	As at 31.03.2015
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No	No
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA
3	Share Capital	65,00,000	65,00,000
4	Reserves & Surplus	(8,84,309)	(4,48,700)
5	Total Assets	92,22,304	91,85,619
6	Total Liabilities	36,06,613	31,34,319
7	Investments	–	–
8	Turnover	72,232	72,232
9	Profit before Taxation	(4,35,609)	(3,90,227)
10	Provision for Taxation	–	–
11	Profit after Taxation	(4,35,609)	(3,90,227)
12	Proposed Dividend	–	–
13	% of shareholding	–	–

On behalf of the Board

**Prabhu Nath Ojha**  
Executive Director  
(DIN : 00237043)

**Prabir Chakravarti**  
Director  
(DIN: 00273523)

**Virendraa Bangur**  
Managing Director  
(DIN : 00592544)

Place : Kolkata  
Date : 30th May, 2016

**S. K. Lahoti**  
Company Secretary

**P. K. Gupta**  
Chief Financial Officer

## Annexure 2 to the Directors' Report

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014.

### I. REGISTRATION AND OTHER DETAILS :

i.	CIN	L24119OR1962PLC007123
ii.	Registration Date	17th April, 1962
iii.	Name of the Company	Jayshree Chemicals Limited
iv.	Category / Sub-Category of the Company	Public Company Limited by Shares
v.	Address of the Registered office and contact details	P.o. Jayshree - 761025 Dist : Ganjam (Odisha)
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of the Registrar and Transfer Agent, if any	Niche Technologies Private Limited D-511, Bagree Market, 71, B.R.B.Basu Road, Kolkata - 700001 Telephone : 22357270/22357271 Fax No. 22156823 Email Id: nichetechpl@nichetechpl.com

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Casutic Soda Lye upto 20-9-2015		99%

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

S. No	Name And Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	East Coast Powers Limited A-23 Surya Nagar, Unit-7, Bhubaneswar-7	U40105OR2000PLC006082	SUBSIDIARY	92.31%	2(87)

Consolidated Financials

Standalone Financials

Statutory Reports

## Annexure 2 to the Directors' Report

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

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
a) Individual / HUF	2660850	0	2660850	9.073	2660850	0	2660850	9.073	0.000
b) Centran Government									
c) State Government									
d) Bodies Corporate	11657409	0	11657409	39.750	11657409	0	11657409	39.750	0.000
e) Banks / Financial Institutions									
f) Any Other									
<b>Sub-total (A) (1)</b>	<b>14318259</b>	<b>0</b>	<b>14318259</b>	<b>48.824</b>	<b>14318259</b>	<b>0</b>	<b>14318259</b>	<b>48.824</b>	<b>0.000</b>
<b>2) Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corporate									
d) Banks / Financial Institutions									
e) Any Other									
<b>Sub-Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Shareholding of Promoter (A) = (A) (1)+(A)(2)</b>	<b>14318259</b>	<b>0</b>	<b>14318259</b>	<b>48.824</b>	<b>14318259</b>	<b>0</b>	<b>14318259</b>	<b>48.824</b>	<b>0.000</b>
<b>B. Public Shareholding</b>									
<b>1) Institutions</b>									
a) Mutual Funds	0	200	200	0.001	0	200	200	0.001	0.000
b) Banks / Financial Institutions	782255	5465	787720	2.686	782255	5465	787720	2.686	0.000
c) Central Government									
d) State Governments	203036	0	203036	0.692	203036	0	203036	0.692	0.000
e) Venture Capital Funds									
f) Insurance Companies	0	800	800	0.003	0	800	800	0.003	0.000
g) Foreign Institutional Investors (FII)	0	200	200	0.001	0	200	200	0.001	0.000
h) Foreign Venture Capital Funds									
i) Others (Specify)									
<b>Sub-total (B)(1)</b>	<b>985291</b>	<b>6665</b>	<b>991956</b>	<b>3.382</b>	<b>985291</b>	<b>6665</b>	<b>991956</b>	<b>3.382</b>	<b>0.000</b>
<b>2) Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	1294327	2120	1296447	4.421	860923	2100	863023	2.943	-1.478
ii) Overseas									
b) Individuals									

## Annexure - 2 to the Directors' Report

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3327414	94237	3421651	11.667	3882671	93787	3976458	13.559	1.892
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	8715781	0	8715781	29.720	8577803	0	8577803	29.249	-0.471
c) Others (specify)									
1. NRI	452946	100	453046	1.545	446878	100	446978	1.524	-0.021
2. Overseas Corporate Bodies									
3. Foreign Nationals									
4. Clearing Members	129317	0	129317	0.441	151980	0	151980	0.518	0.077
5. Trusts									
6. Foreign Bodies - D.R.									
Sub-total (B)(2)	13919785	96457	14016242	47.794	13920255	95987	14016242	47.794	0.000
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>14905076</b>	<b>103122</b>	<b>15008198</b>	<b>51.176</b>	<b>14905546</b>	<b>102652</b>	<b>15008198</b>	<b>51.176</b>	<b>0.000</b>
C) Shares held by Custodian for GDRs & ADRs									
<b>GRAND TOTAL (A+B+C)</b>	<b>29223335</b>	<b>103122</b>	<b>29326457</b>	<b>100.000</b>	<b>29223805</b>	<b>102652</b>	<b>29326457</b>	<b>100.000</b>	<b>0.000</b>

### ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares pledged/ encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares pledged/ encumbered to total shares	
1	AARYAN BANGUR	0	0.000	0.000	48775	0.166	0.000	0.166
2	AKHIVI TEA PLANTATIONS AND AGRO INDUSTRIES LTD.	290237	0.990	0.000	290237	0.990	0.000	0.000
3	ANKIT BANGUR	0	0.000	0.000	48775	0.166	0.000	0.166
4	BHARTI BANGUR	0	0.000	0.000	48775	0.166	0.000	0.166
5	GOLD MOHORE INVESTMENT CO LTD	321785	1.097	0.000	321785	1.097	0.000	0.000
6	KAMALA DEVI BANGUR	195100	0.665	0.000	0	0.000	0.000	-0.665
7	MOTHOLA COMPANY LTD.	282291	0.963	0.000	282291	0.963	0.000	0.000
8	ORBIT UDYOG PVT LTD	837210	2.855	0.000	837210	2.855	0.000	0.000
9	RANGNATH SHREE KUMAR	82500	0.281	0.000	82500	0.281	0.000	0.000
10	SAURABH BANGUR	552500	1.884	0.000	552500	1.884	0.000	0.000
11	SHASHI DEVI BANGUR	418250	1.426	0.000	418250	1.426	0.000	0.000
12	SHREE KUMAR BANGUR	437500	1.492	0.000	437500	1.492	0.000	0.000
13	SHREE KUMAR VIRENDRA KUMAR	482500	1.645	0.000	482500	1.645	0.000	0.000

## Annexure - 2 to the Directors' Report

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares pledged/ encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares pledged/ encumbered to total shares	
14	SHREE SATYANARAYAN INVESTMENTS COMPANY LTD.	2211248	7.540	0.000	2211248	7.540	0.000	0.000
15	SHRIVATSA BANGUR	0	0.000	0.000	48775	0.166	0.000	0.166
16	THE DIAMOND COMPANY LIMITED	816893	2.786	0.000	816893	2.786	0.000	0.000
17	THE INDRA COMPANY LIMITED	120000	0.409	0.000	120000	0.409	0.000	0.000
18	THE THIRUMBADI RUBBER COMPANY LIMITED	1837000	6.264	0.000	1837000	6.264	0.000	0.000
19	THE WEST COAST PAPER MILLS LTD	542399	1.850	0.000	542399	1.850	0.000	0.000
20	UNION COMPANY LIMITED	1256388	4.284	0.000	1256388	4.284	0.000	0.000
21	VEER ENTERPRISES LIMITED	3141958	10.714	0.000	3141958	10.714	0.000	0.000
22	VIRENDRAA BANGUR	492500	1.679	0.000	492500	1.679	0.000	0.000
	T O T A L	14318259	48.824	0.000	14318259	48.824	0.000	0.000

### iii) Change in Promoter's Shareholding

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	<b>AARYAN BANGUR</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	09/10/2015 Transfer	48775	0.166	48775	0.166
2	c) At the End of the Year			48775	0.166
	<b>AKHIVI TEA PLANTATIONS AND AGRO INDUSTRIES LTD.</b>				
	a) At the Beginning of the Year	290237	0.990		
3	b) Changes during the year			[NO CHANGES DURING THE YEAR]	
	c) At the End of the Year			290237	0.990
	<b>ANKIT BANGUR</b>				
4	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	09/10/2015 Transfer	48775	0.166	48775	0.166
	c) At the End of the Year			48775	0.166
4	<b>BHARTI BANGUR</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	09/10/2015 Transfer	48775	0.166	48775	0.166
	c) At the End of the Year			48775	0.166

## Annexure - 2 to the Directors' Report

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5	<b>GOLD MOHORE INVESTMENT CO LTD</b>				
	a) At the Beginning of the Year	321785	1.097		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			321785	1.097
6	<b>KAMALA DEVI BANGUR</b>				
	a) At the Beginning of the Year	195100	0.665		
	b) Changes during the year				
	Date Reason				
	24/04/2015 Transfer	-195100	0.665	0	0.000
	c) At the End of the Year			0	0.000
7	<b>MOTHOLA COMPANY LTD.</b>				
	a) At the Beginning of the Year	282291	0.963		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			282291	0.963
8	<b>ORBIT UDYOG PVT LTD</b>				
	a) At the Beginning of the Year	837210	2.855		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			837210	2.855
9	<b>RANGNATH SHREE KUMAR</b>				
	a) At the Beginning of the Year	82500	0.281		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			82500	0.281
10	<b>SAURABH BANGUR</b>				
	a) At the Beginning of the Year	552500	1.884		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			552500	1.884
11	<b>SHASHI DEVI BANGUR</b>				
	a) At the Beginning of the Year	418250	1.426		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			418250	1.426
12	<b>SHREE KUMAR BANGUR</b>				
	a) At the Beginning of the Year	437500	1.492		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			437500	1.492
13	<b>SHREE KUMAR VIRENDRA KUMAR</b>				
	a) At the Beginning of the Year	482500	1.645		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			482500	1.645
14	<b>SHREE SATYANARAYAN INVESTMENTS COMPANY LTD.</b>				
	a) At the Beginning of the Year	2211248	7.540		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			2211248	7.540

## Annexure - 2 to the Directors' Report

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>15</b>	<b>SHRIVATSA BANGUR</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	09/10/2015 Transfer	48775	0.166	48775	0.166
	c) At the End of the Year			48775	0.166
<b>16</b>	<b>THE DIAMOND COMPANY LIMITED</b>				
	a) At the Beginning of the Year	816893	2.786		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			816893	2.786
<b>17</b>	<b>THE INDRA COMPANY LIMITED</b>				
	a) At the Beginning of the Year	120000	0.409		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			120000	0.409
<b>18</b>	<b>THE THIRUMBADI RUBBER COMPANY LIMITED</b>				
	a) At the Beginning of the Year	1837000	6.264		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			1837000	6.264
<b>19</b>	<b>THE WEST COAST PAPER MILLS LTD</b>				
	a) At the Beginning of the Year	542399	1.850		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			542399	1.850
<b>20</b>	<b>UNION COMPANY LIMITED</b>				
	a) At the Beginning of the Year	1256388	4.284		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			1256388	4.284
<b>21</b>	<b>VEER ENTERPRISES LIMITED</b>				
	a) At the Beginning of the Year	3141958	10.714		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			3141958	10.714
<b>22</b>	<b>VIRENDRAA BANGUR</b>				
	a) At the Beginning of the Year	492500	1.679		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			492500	1.679
	<b>TOTAL</b>	<b>14318259</b>	<b>48.824</b>	<b>14318259</b>	<b>48.824</b>

## Annexure - 2 to the Directors' Report

### D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs) :

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	<b>KUMARPAL MANSUKHLAL PAREKH</b>				
	a) At the Beginning of the Year	359748	1.227		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			359748	1.227
2	<b>LIFE INSURANCE CORPORATION OF INDIA</b>				
	a) At the Beginning of the Year	782255	2.667		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			782255	2.667
3	<b>MADAN BHAGCHAND MELWANI</b>				
	a) At the Beginning of the Year	325067	1.108		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			325067	1.108
4	<b>PADMA JITENDRA PAREKH</b>				
	a) At the Beginning of the Year	456490	1.557		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			456490	1.557
5	<b>SANGITA KUMARPAL PAREKH</b>				
	a) At the Beginning of the Year	329714	1.124		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			329714	1.124
6	<b>SANJAY KOTHARI</b>				
	a) At the Beginning of the Year	300100	1.023		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			300100	1.023
7	<b>SANJEEV VINODCHANDRA PAREKH</b>				
	a) At the Beginning of the Year	796979	2.718		
	b) Changes during the year				
	Date Reason				
	23/10/2015 Transfer	154971	0.528	951950	3.246
	c) At the End of the Year			951950	3.246
8	<b>SHAUNAK JAGDISH SHAH</b>				
	a) At the Beginning of the Year	887771	3.027		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			887771	3.027
9	<b>VINAY R SOMANI</b>				
	a) At the Beginning of the Year	292983	0.999		
	b) Changes during the year				

## Annexure - 2 to the Directors' Report

Sl. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Date	Reason				
	24/04/2015	Transfer	1152	0.004	294135	1.003
	01/05/2015	Transfer	1866	0.006	296001	1.009
	08/05/2015	Transfer	501	0.002	296502	1.011
	15/05/2015	Transfer	3999	0.014	300501	1.025
	18/12/2015	Transfer	-500	0.002	300001	1.023
	25/12/2015	Transfer	-1000	0.003	299001	1.020
	08/01/2016	Transfer	-6000	0.020	293001	0.999
	18/03/2016	Transfer	-1000	0.003	292001	0.996
	25/03/2016	Transfer	-261501	0.892	30500	0.104
	31/03/2016	Transfer	292001	0.996	322501	1.100
	c) At the End of the Year				322501	1.100
<b>10</b>	<b>VINODCHANDRA MANSUKHLAL PAREKH</b>					
	a) At the Beginning of the Year		858013	2.926		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year				858013	2.926
	<b>TOTAL</b>		<b>5389120</b>	<b>18.376</b>	<b>5573609</b>	<b>19.005</b>

### Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
<b>1</b>	<b>DAU DAYAL KOTHARI</b>					
	a) At the Beginning of the Year		600	0.002		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year				600	0.002
<b>2</b>	<b>SATISH KAPUR</b>					
	a) At the Beginning of the Year		26000	0.089		
	b) Changes during the year					
	Date	Reason				
	04/12/2015	Transfer	-10000	0.034	16000	0.055
	25/12/2015	Transfer	-5000	0.017	11000	0.038
	c) At the End of the Year				11000	0.038
<b>3</b>	<b>SHREE KUMAR BANGUR</b>					
	a) At the Beginning of the Year		437500	1.492		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year				437500	1.492

## Annexure - 2 to the Directors' Report

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>4</b>	<b>VIRENDRAA BANGUR</b>				
	a) At the Beginning of the Year	492500	1.679		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			492500	1.679
<b>5</b>	<b>PRABHU NATH OJHA</b>				
	a) At the Beginning of the Year	5	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5	0.000
<b>6</b>	<b>PAWAN KUMAR GUPTA</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
<b>7</b>	<b>R K GUPTA (upto 30-1-2016)</b>				
	a) At the Beginning of the Year	5	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5	0.000
<b>8</b>	<b>S K LAHOTI</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
	<b>T O T A L</b>	<b>956610</b>	<b>3.262</b>	<b>941610</b>	<b>3.211</b>

### V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	756902742	520400000	0	
ii) Interest due but not paid	0	6653330	0	
iii) Interest accrued but not due	0	5825745	0	
<b>Total (i+ii+iii)</b>	<b>756902742</b>	<b>532879075</b>	<b>0</b>	<b>1289781817</b>
<b>Change in Indebtedness</b>				
Additions	0	0	0	
Reduction	756902742	532879075	0	
<b>Net Change</b>	<b>-756902742</b>	<b>-532879075</b>	<b>0</b>	<b>-1289781817</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	
ii) Interest due but not paid	0	0	0	
iii) Interest accrued but not due	0	0	0	
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Annexure - 2 to the Directors' Report

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

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Shri Virendraa Bangur (MD)	Shri P.N.Ojha (ED)	
1	Gross Salary	₹	₹	₹
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	3300000	1425806	4725806
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	1320000	721032	2041032
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission as % of profit others (specify)	0	0	0
5	Others, please specify (Superannuation and Provident Fund)	891000	0	891000
	<b>Total (A)</b>	<b>5511000</b>	<b>2146838</b>	<b>7657838</b>

#### B. Remuneration to other directors :

Sl. No.	Particulars of Remuneration	Name of the Directors				Total Amount
		Shri D D Kothari	Shri Prabir Chakrabarti	Shri Satish Kapur	Smt. Sindhubala Choudhury	
1	<b>Independent Directors</b>					
		₹	₹	₹	₹	₹
	a) Fee for attending board/committee meetings	15000	60000	50000	45000	
	b) Commission	0	0	0	0	
	c) Others, please specify	0	0	0	0	
	<b>Total (1)</b>	<b>15000</b>	<b>60000</b>	<b>50000</b>	<b>45000</b>	<b>170000</b>
2.	<b>Other Non Executive Directors</b>					
		Shri S K Bangur	Shri B K Mishra			
	a) Fee for attending board/committee meetings	25000	10000			
	b) Commission	0	0			
	c) Others, please specify.	0	0			
	<b>Total (2)</b>	<b>25000</b>	<b>10000</b>			<b>35000</b>
	<b>Total (B) = (1+2)</b>					<b>205000</b>
	<b>Total Managerial Remuneration</b>					<b>7862838</b>

## Annexure - 2 to the Directors' Report

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross Salary	₹	₹	₹
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	711600	828960	1540560
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	356640	455829	812469
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission as % of profit others (specify)	0	0	0
5	Others, please specify	85392	99480	184872
	<b>Total</b>	<b>1153632</b>	<b>1384269</b>	<b>2537901</b>

### VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

On behalf of the Board

**Virendraa Bangur**  
Managing Director  
(DIN : 00237043)

**Prabir Chakravarti**  
Director  
(DIN: 00273523)

**Prabhu Nath Ojha**  
Executive Director  
(DIN : 00592544)

Place : Kolkata  
Date : 30th May, 2016

## Annexure - 3 to the Directors' Report

**Annexure 3**

### FORM NO. AOC-2

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)  
Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis :**

Jayshree Chemicals Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during the financial year 2015-16.

2. **Details of material contracts or arrangement or transactions at arm's length basis**

(a) Name(s) of the related party and nature of relationship :

<b>Name of the related party</b>	<b>Relationship</b>
East Coast Powers Limited	Subsidiary
The West Coast Paper Mills Ltd.	Control of KMP
Shree Ram Trust	Control of KMP
Orbit Udyog Pvt. Ltd.	Control of KMP
B.N. Kapur Pvt Ltd.	Control of KMP
The Thirumbadi Rubber Co. Ltd.	Control of KMP
Crossley & Towers Pvt.Ltd	Control of KMP
Shree Satyanarayan Investments Co. Ltd.	Control of KMP
The Diamond Company Ltd	Control of KMP
Sri Girija Prasanna Cotton Mills Ltd.	Control of KMP
The Indra Company Ltd.	Control of KMP
Veer Enterprises Ltd.	Control of KMP
Akhivi Tea Plantations & Agro Industries Ltd.	Control of KMP
Gold Mohore Investments Co. Ltd.	Control of KMP
Saumya Trade & Fiscal Services (P) Ltd.	Control of KMP
Shree Kumar Bangur	Chairman
Virendraa Bangur	Managing Director
P N Ojha	Executive Director
P K Gupta	Chief Financial Officer
S K Lahoti	Company Secretary
Shashi Devi Bangur	Relative of KMP
Bharati Bangur - Executive (Corporate Affairs)	Relative of KMP

## Annexure - 3 to the Directors' Report

b) Nature of contracts/ arrangements/ transactions	c) Duration of the contracts/ arrangements/ transactions	d) Salient terms of the contracts or arrangements or transactions including the value, if any (Amt. in ₹)	e) Date(s) of approval by the Board, if any
Loan given to East Coast Powers Limited	During the F.Y. 15-16	175,757	On different dates of Board meetings held during the F.Y. 15-16
Interest received from Subsidiary	-Do-	422,542	-Do-
Rent Received from The West Coast Paper Mills Ltd	-Do-	158,616	-Do-
Rent & Service Charges paid - Veer Enterprises Ltd.	-Do-	1,284,915	-Do-
Donation paid - Shree Ram Trust, Kolkata	-Do-	400,000	-Do-
Loan received from The Diamond Co. Ltd	-Do-	15,000,000	-Do-
Loan repayment to The Diamond Co. Ltd	-Do-	33,700,000	-Do-
Interest paid to The Diamond Co. Ltd	-Do-	1,487,363	-Do-
Loan repayment to Sri Girija Prasanna Cottons Mills Ltd	-Do-	15,200,000	-Do-
Interest paid to Sri Girija Prasanna Cottons Mills Ltd .	-Do-	1,093,151	-Do-
Loan received from Shree Satyanarayan Investments Co. Ltd	-Do-	16,500,000	-Do-
Loan repayment to Shree Satyanarayan Investments Co. Ltd	-Do-	50,800,000	-Do-
Interest paid to Shree Satyanarayan Investments Co. Ltd	-Do-	2,680,014	-Do-
Loan repayment to Crossley & Towers Pvt. Ltd.	-Do-	10,000,000	-Do-
Interest paid to Crossley & Towers Pvt. Ltd.	-Do-	719,178	-Do-
Loan repayment to B.N.Kapur Pvt. Ltd.	-Do-	2,000,000	-Do-
Interest paid to B.N.Kapur Pvt. Ltd	-Do-	143,835	-Do-
Loan Received from Veer Enterprises Ltd.	-Do-	6,500,000	-Do-
Loan repayment to Veer Enterprises Ltd.	-Do-	42,700,000	-Do-
Interest paid to Veer Enterprises Ltd.	-Do-	2,757,514	-Do-
Loan repayment to Orbit Udyog Pvt Ltd	-Do-	17,500,000	-Do-
Interest paid to Orbit Udyog Pvt Ltd	-Do-	1,300,514	-Do-
Loan Received from Akhivi Tea Plantations & Agro Ind. Ltd.	-Do-	10,000,000	-Do-
Loan repayment to Akhivi Tea Plantations & Agro Ind. Ltd.	-Do-	28,500,000	-Do-
Interest paid to Akhivi Tea Plantations & Agro Ind. Ltd.	-Do-	1,663,595	-Do-
Loan Received from Gold Mohore Investments Co. Ltd.	-Do-	1,000,000	-Do-
Loan repayment to Gold Mohore Investments Co. Ltd.	-Do-	10,000,000	-Do-
Interest paid to Gold Mohore Investments Co. Ltd.	-Do-	706,632	-Do-
Loan Received from The Indra Company Ltd.	-Do-	1,000,000	-Do-
Loan repayment to The Indra Company Ltd.	-Do-	8,500,000	-Do-
Interest paid to The Indra Company Ltd.	-Do-	595,159	-Do-
Loan repayment to Saumya Trade & Fiscal Services (P) Ltd.	-Do-	10,000,000	-Do-
Interest paid to Saumya Trade & Fiscal Services (P) Ltd.	-Do-	743,151	-Do-
Loan Received from Shree Kumar Bangur	-Do-	8,500,000	-Do-

Consolidated Financials

Standalone Financials

Statutory Reports

## Annexure - 3 to the Directors' Report

b) Nature of contracts/ arrangements/ transactions	c) Duration of the contracts/ arrangements/ transactions	d) Salient terms of the contracts or arrangements or transactions including the value, if any (Amt. in ₹)	e) Date(s) of approval by the Board, if any
Loan repayment to Shree Kumar Bangur	-Do-	72,500,000	-Do-
Interest paid to Shree Kumar Bangur	-Do-	5,127,950	-Do-
Loan Received from Virendraa Bangur	-Do-	4,000,000	-Do-
Loan repayment to Virendraa Bangur	-Do-	32,000,000	-Do-
Interest paid to Virendraa Bangur	-Do-	2,255,782	-Do-
Remuneration paid to Virendraa Bangur	-Do-	5,511,000	-Do-
Remuneration paid to P. N. Ojha	-Do-	2,146,839	-Do-
Remuneration paid to Bharati Bangur	-Do-	700,625	-Do-
Professional fees paid to Smt. Shashi Devi Bangur	-Do-	20,000	-Do-
Remuneration paid to P K Gupta	-Do-	1,384,269	-Do-
Remuneration paid to S K Lahoti	-Do-	1,153,632	-Do-
Loan given to Fort Gloster Electric Ltd	-Do-	28,500,000	-Do-
Repayment of loan received from Fort Gloster Electric Ltd	-Do-	28,500,000	-Do-
Interest received from Fort Gloster Electric Ltd	-Do-	830,138	-Do-
Loan given to Bangur Exim Pvt Ltd	-Do-	50,000	-Do-
Repayment of loan received from Bangur Exim Pvt Ltd	-Do-	50,000	-Do-
Interest received from Bangur Exim Pvt Ltd	-Do-	459	-Do-

c) Amount paid as advances, if any : Nil

**On behalf of the Board**

**Virendraa Bangur**  
Managing Director  
(DIN : 00237043)

**Prabir Chakravarti**  
Director  
(DIN: 00273523)

**Prabhu Nath Ojha**  
Executive Director  
(DIN : 00592544)

Place : Kolkata  
Date : 30th May, 2016

## Annexure - 4 to the Directors' Report

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To,  
The Members,  
**Jayshree Chemicals Limited**

I, Arun Kumar Jaiswal, Practicing Company Secretary have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Jayshree Chemicals Limited (CIN- L24119OR1962PLC007123) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s Jayshree Chemicals Limited 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 the 31st March, 2016 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 M/s Jayshree Chemicals Limited for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Companies Act, 1956 (to the extent applicable) (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993: The Company has appointed M/s Niche Technologies Private Limited who provides share registration and related services: and
  - (e) The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 "SEBI Regulations".
- (vi) Other Laws applicable to the Company as per the representations made by the Company.

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

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

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

1. The status of the Company during the financial year has been that of a Listed Public Company.

## Annexure - 4 to the Directors' Report

2. The Company has been a holding of another Company. The Company has been a Non-Government Company.
3. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment. Their being an Independent Compliance Code of Business Conduct & Ethics for Directors and Management Personnel.
4. The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other companies and interests in other entities.
5. The amount borrowed by the Company from its Directors, members, Bank(s)/ Financial Institution(s) and others were within the borrowing limits of the Company. Such borrowings were made by the Company in compliance with applicable laws.
6. The Company has repaid all its dues to Banks during the current financial year. There are no outstanding dues to a financial institution or debenture holders.
7. The Company during the audit period has satisfied all the charges on the assets of the Company.
8. All registrations under the various state and local laws as applicable to the Company are valid as on the date of report.
9. The Company has paid all its statutory dues and satisfactory arrangements have been made for arrears of any such dues.
10. The Company (listed on Bombay Stock Exchange Limited) has complied with the provisions of the Listing Agreement and/or SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.
11. The Company has provided a list of statutes in addition to the laws as mentioned above and it has been observed that there are proper systems.
12. Satisfactory Compliance is being done by the Company with respect to redressal of Customer Grievances.

In respect of other laws specifically applicable to the Company, I have relied on information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

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. There was no change in the composition of the Board of Directors during the year under review.

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

All decisions of the Board were unanimous and the same was captured and recorded as part of the minutes.

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

I further report that the Company has already adopted Sexual Harassment Policy in line with the Companies Act, 2013. A Committee is monitoring the Sexual Harassment Policy.

**ARUN KUMAR JAISWAL**

*Practising Company Secretary*

Membership No.29827

Certificate of Practice No.12281

Place : Kolkata

Date : 30.05.2016

**NOTE** - This report is to be read out with our letter of even date which is annexed as Annexure I and forms an integral part of this report.

## Annexure - 4 to the Directors' Report

### Annexure - I

TO THE SECRETARIAL AUDIT REPORT OF  
**JAYSHREE CHEMICALS LIMITED**  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

To,  
The Members,  
**JAYSHREE CHEMICALS LIMITED**

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial 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 responsibilities of the management. My examination was limited to the verification of procedures 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.

Place : Kolkata  
Date : 30.05.2016

**ARUN KUMAR JAISWAL**  
*Practicing Company Secretary*  
Membership No.29827  
Certificate of Practice No.12281

# Management Discussion and Analysis Report

## a. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company's main business was to manufacture caustic soda, chlorine, hydrochloric acid and sodium hypochlorite at its facilities located at Ganjam (Odisha). Besides, the Company has Salt Manufacturing Facility at Pundi in Andhra Pradesh and one Wind Mill at Bogampatti Village near Coimbatore in Tamilnadu and Indenting Business at Kolkata in the name and Style of "Bangur Exim."

Caustic soda is used in various applications such as finishing operations in textiles, manufacture of soaps and detergents, alumina, paper and pulp, control of pH (softening) of water, general cleansing and bleaching. The aluminium industry is the biggest demand driver for caustic soda. Chlorine is used in multiple sectors such as manufacture of polymers like PVC, bleaching applications, paper and pulp and textile industry.

## b. OPPORTUNITIES AND THREATS

Due to continuous increase in cost of power and raw materials and decrease in sales realisation the overall scenario was depressing.

The Company has sold its Chlor Alkali Manufacturing Facility at Ganjam in Odisha and Salt Manufacturing Facility at Pundi in Andhra Pradesh on "as is where is basis" on a slump sale as a going concern to Aditya Birla Chemicals (India) Ltd. at a lump sum consideration of ₹ 212 Crores. The Company has since completed this sale on 20th September, 2015.

## c. SEGMENTWISE OR PRODUCTWISE PERFORMANCE

The Company earned a Cash Profit of ₹ 2,347.44 Lacs including exceptional Profit of ₹ 5,510.48 Lacs from the Caustic Soda segment.

In the Wind Power segment, the Company earned a Cash Profit of ₹ 37.54 Lacs.

In the Indenting Business, the Company incurred a Cash Loss of ₹ 12.36 Lacs.

## d. OUTLOOK

We are of the opinion that outlook of Chlor Alkali Industry is not very encouraging due to over capacity built up in the country and continuous increase in power tariff. This is more relevant to company like Jayshree Chemicals Limited which is not having its own captive power plant.

## e. RISKS & CONCERNS

As a management policy the Company put greater emphasis on the safety of its workmen and the Plant. The Company also gave priority to the maintenance and overall upkeepment of the Plant. It adopted TPM activities which gave inputs to improved maintenance and upliftment of plant and equipment upto the date of sale on 20th September, 2015.

## f. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal controls. All transactions are authorised, recorded and reported correctly. Internal audits and checks are carried out regularly by Internal Auditors, an independent firm of Chartered Accountants. An Audit Committee headed by an independent and non-executive Director is in place to review the systems continuously.

## g. FINANCIAL & OPERATING PERFORMANCE

This has already been discussed in the Directors' Report.

## h. HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONTS

The Company had cordial relations with its employees as well as Unions and all problems were solved across the table in a very congenial atmosphere. Workshops were organized on a regular basis to impart training to the Company's personnel and also to make them aware of the developments in the Industry. There were 10 employees as on 31st March, 2016 against 313 employees as on 31st March, 2015.

**On behalf of the Board**

**Virendraa Bangur**  
Managing Director  
(DIN : 00237043)

**Prabir Chakravarti**  
Director  
(DIN: 00273523)

**Prabhu Nath Ojha**  
Executive Director  
(DIN : 00592544)

Place : Kolkata  
Date : 30th May, 2016

## Report on Corporate Governance

The Company's Report on Corporate Governance for the year ended 31st March, 2016 is given hereunder:-

### 1. Brief statement on the Company's philosophy on Code of Governance

The Company's philosophy is to strive for optimum performance at all levels. The basic Corporate Governance practices which the Company follows for achieving the same are as under:-

- Fair and transparent business practices;
- Effective management control by the Board;
- Monitoring of Executive performance;
- Compliance of Laws;
- Independent manner of operation of the Board;
- Accountability for performance;
- Monitoring of Business Risk.

### 2. Board of Directors

The Board of Directors of the Company as on 31st March, 2016, comprised of eight Directors, consisting of one Managing Director, one Executive Director and six Non-Executive Directors including Nominee and Independent Directors.

During the year 2015-16 Six Board Meetings of the Company were held on 14th May, 2015, 13th August, 2015, 22nd August, 2015, 9th November, 2015, 9th February, 2016 and 16th March, 2016. The composition of Directors and attendance at the Board Meetings during the year and the last Annual General Meeting as also number of other Directorships and Committee Memberships are given hereunder :-

Sl. No.	Name of Director	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM	No. of other directorships as Director/Chairman (*)	No. of Committee Memberships as Member/Chairman (**)
1	Shri S.K.Bangur	Chairman & Non-Executive Director Promoter Group	5	No	7	–
2	Shri D.D.Kothari	Independent Non-Executive Director	2	No	1	1
3	Smt. Sindhubala Choudhury	Independent Non-Executive Director	4	Yes	–	1
4	Shri B.K.Mishra	Nominee of IDCOL	2	No	4	–
5	Shri Prabir Chakravarti	Independent Non-Executive Director	6	Yes	8	2
6	Shri Virendraa Bangur	Managing Director-Promoter Group	6	No	5	1
7	Shri Satish Kapur	Independent Non-Executive Director	5	No	5	2
8	Shri Prabhu Nath Ojha	Executive Director	6	Yes	–	1

Shri S.K.Bangur and Shri Virendraa Bangur are related to each other being the father and son respectively. Save and except them, no Director is related to any other Director of the Company.

(\*) Excluding Directorships held in Private Limited Companies and Associations.

(\*\*) Includes Membership of Audit Committee and Stakeholders Relationship Committee only.

## Report on Corporate Governance

Separate Meeting of the Independent Directors was held on 9th February, 2016. The details of the attendance at the said Meeting is given hereunder :

Names of Directors	No. of Meetings held during the tenure of Membership	No. of Meetings attended
Shri Prabir Chakravarti	1	1
Shri D.D.Kothari	1	1
Smt. Sindhubala Choudhury	1	1
Shri Satish Kapur	1	1

### 3. Audit Committee

The Audit Committee of the Board of Directors of the Company comprised of Shri Prabir Chakravarti, Shri D.D.Kothari, Smt. Sindhubala Choudhury and Shri Satish Kapur, Independent Non-Executive Directors of the Company, with Shri Prabir Chakravarti as its Chairman. The Terms of Reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and the provisions of the Regulation 18 of the Listing Regulations.

During the year, four Meetings of the Audit Committee of the Board of Directors of the Company were held on 14th May, 2015, 13th August, 2015, 9th November, 2015 and 9th February, 2016. The details of the attendance at the said Meetings are given hereunder:-

Names of Directors	No. of Meetings held during the tenure of Membership	No. of Meetings attended
Shri D. D. Kothari	4	1
Smt. Sindhubala Choudhury	4	4
Shri Prabir Chakravarti	4	4
Shri Satish Kapur	4	3

### 4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board of Directors of the Company comprised of Shri Prabir Chakravarti, Chairman and Smt. Sindhubala Choudhury and Shri Satish Kapur, all independent Non-Executive Directors. The Committee has power to regulate its Meetings and proceedings. The Remuneration Policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees form part of the Directors Report.

During the year, two Meetings of the Nomination and Remuneration Committee were held on 13th August, 2015 and 16th March, 2016. The details of the attendance at the said Meetings are given hereunder:-

Names of Directors	No. of Meetings held during the tenure of Membership	No. of Meetings attended
Shri Prabir Chakravarti	2	2
Smt. Sindhubala Choudhury	2	1
Shri Satish Kapur	2	2

## Report on Corporate Governance

The details of remuneration of the Managing, Executive and Non-Executive Directors during the year ended 31st March, 2016 are as under:-

<b>i)</b>	<b>Managing Director</b>	
	Name	Shri Virendraa Bangur
	Description	Managing Director
	Salary	₹ 33,00,000/-
	<b>Benefits</b>	
	Allowances & Perquisites	₹ 13,20,000/-
	Bonus	-
	Pension	-
	<b>Fixed Component</b>	-
	Contributions to Provident & Superannuation Funds	₹ 8,91,000/-
	Performance linked Incentive	
	Service Contract	12th November, 2013 to 11th November, 2016
	Notice Period	3 Months
	Severance Fee	Nil
	Stock Options (₹)	-
	<b>Total</b>	<b>₹ 55,11,000/-</b>
<b>ii)</b>	<b>Executive Director</b>	
	Name	Shri Prabhu Nath Ojha
	Description	Executive Director
	Salary	₹ 14,25,806/-
	<b>Benefits</b>	
	Allowances & Perquisites	₹ 5,78,823/-
	Bonus	-
	Pension	-
	<b>Fixed Component</b>	
	Contributions to Provident & Superannuation Funds	-
	Special Allowance	₹ 1,42,710/-
	Service Contract	17th August, 2015 to 31st March, 2016
	Notice Period	3 Months
	Severance Fee	Nil
	Stock Options (₹)	-
	<b>Total</b>	<b>₹ 21,46,839/-</b>

### iii) Non-Executive Directors

Non-Executive Directors are not entitled for any remuneration other than the sitting fees for attending Meetings of the Board of Directors of the Company or a Committee thereof.

## Report on Corporate Governance

The details of sitting fees paid are as under :

Name of Director	Sitting Fees (₹)
Shri S.K. Bangur	25,000/-
Shri D.D. Kothari	15,000/-
Smt. Sindhubala Choudhury	45,000/-
Shri B.K. Mishra	10,000/-
Shri Prabir Chakravarti	60,000/-
Shri Satish Kapur	50,000/-
Total	2,05,000/-

### 5. Stakeholders Relationship Committee

Stakeholders Relationship Committee of the Company comprised of Shri Virendraa Bangur, Managing Director, Shri Prabir Chakravarti, Director and Shri Prabhu Nath Ojha, Executive Director of the Company as its Members with Shri Prabir Chakravarti as its Chairman. During the year, four Meetings of the Stakeholders Relationship Committee were held on 14th May, 2015, 29th May, 2015, 9th September, 2015 and 29th February, 2016. The details of the attendance at the said Meetings are given hereunder :-

Names of Directors	No. of Meetings held during the tenure of Membership	No. of Meetings attended
Shri Virendraa Bangur	4	2
Shri Prabhu Nath Ojha	4	4
Shri Prabir Chakravarti	4	4

Shri S.K. Lahoti, Company Secretary is the Compliance Officer of the Company. There was no complaint from any Shareholder during the year under review and no complaint was pending at the end of the financial year.

### 6. (i) Annual General Meetings

The last three Annual General Meetings of the Company were held as under :

Financial Year ended	Date	Time	Venue
31-03-2015	04-09-2015	2.30 P.M.	Registered Office at P.O. Jayshree - 761025 District Ganjam (Odisha)
31-03-2014	27-09-2014	11.45 A.M.	Registered Office at P.O. Jayshree - 761025 District Ganjam (Odisha)
31-03-2013	20-08-2013	3.00 P.M.	Registered Office at P.O. Jayshree - 761025 District Ganjam (Odisha)

(ii) There was no Special Resolution for consideration of the Members of the Company at the Annual General Meetings held on 20th August, 2013 and 4th September, 2015. In the 52nd Annual General Meeting held on 27th September, 2014 six Special Resolutions were passed.

#### Extra-ordinary General Meetings

No Extra-ordinary General Meeting of the Company was held during the Financial Year 2015-16.

(iii) The Company successfully completed the process of obtaining approval of its Members through Postal Ballots during the Financial Year 2015-16 for :

a) Shifting the Registered Office of the Company from the State of Odisha to the State of West Bengal.

## Report on Corporate Governance

- b) Re-appointment of and the remuneration payable to Shri Prabhu Nath Ojha as the Wholetime Director designated as Executive Director of the Company for a further period from 17th August, 2015 to 31st March, 2016.
- c) Authorising the Board of Directors of the Company to (i) Make investment and acquire by way of subscription, purchase or otherwise, securities of any other body corporate, provided that the total amount of such investments outstanding at any one time shall not exceed Rupees 10,00,00,000/- (Rs. Ten crores) only; ii) give loan to any person or body corporate or give guarantee or provide security in connection with a loan to any other person or body corporate, provided that the aggregate amount of such loan, guarantee and security outstanding at any one time shall not exceed Rupees 15,00,00,000/- (Rs. Fifteen crores) only;

### Voting pattern and procedure for Postal Ballot

- i) The Board of Directors of the Company, vide resolution dated 9th November, 2015 appointed Shri Arun Kumar Jaiswal as the Scrutinizer for conducting the postal ballot voting process.
- ii) The Company had completed the dispatch of the Postal Ballot Notice dated 8th January, 2016 together with the Explanatory Statement on 1st February, 2016 along with the forms and business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on 8th January, 2016.
- iii) The voting under the postal ballot was kept open from 2nd Feb, 2016 to 2nd March, 2016 (either physically or through electronic means).
- iv) Particulars of postal ballot forms received from the Members using the electronic platform of CDSL were entered in a register separately maintained for the purpose.
- v) The postal ballot forms were kept under the safe custody of the Scrutinizer in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- vi) Envelopes containing postal ballot forms received after close of business hours 6.00 P.M. on 2nd March, 2016 had not been considered for scrutiny.
- vii) On 4th March, 2016, Shri Shree Kumar Bangur, Chairman of the Company announced the following results of the postal ballot as per the Scrutinizer's Report dated 3rd March, 2016.

Sr. No.	Particulars	Resolution No. 1	Resolution No. 2	Resolution No. 3
1	Votes cast in favour	14429873	14386673	14382527
2	Votes cast against	210	43410	47556
3	Votes in favour as percentage of total votes	99.99	99.70	99.67

## 7. Disclosures

### i. Related Party Transactions

The Company has not entered into any transaction of material nature with the Promoters, the Directors or the Management, Key Managerial Personnel, their subsidiaries or relatives, etc. that may have any potential conflict with the interest of the Company.

### ii. Compliances by the Company

The Company has complied with the requirements of the Bombay Stock Exchange, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities relating to the above.

### iii. Whistle Blower policy

Pursuant to Rule 7 of The Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement with the Bombay Stock Exchange Whistle Blower Policy (Vigil Mechanism) has been formulated with a view to provide a mechanism for employees and Directors of the Company to approach the Executive Director or the Chairman of the Audit

## Report on Corporate Governance

Committee of the Board to make a Protected Disclosure of malpractices and events which have taken place or suspected to take place in relation to matters concerning the Company only.

Further during the financial year 2015-16 no personnel has been denied access to the Executive Director or the Chairman of the Audit Committee of the Board to make a Protected Disclosure.

### 8. Means of Communication

The Quarterly /half yearly financial results during the year under review were published in English in the 'Business Standard' and in Oriya in the 'Orissa Bhaskar', all circulated in Ganjam where the Registered Office of the Company is situated. The results are displayed on the Company's website www.jayshreechemicals.com but are not sent individually to the Shareholders. No separate presentations were made to institutional investors or the analysts.

### 9. General Shareholder Information

i)	<b>Annual General Meeting</b>	
	<b>Date</b>	9th September, 2016
	<b>Time</b>	2-30 P.M.
	<b>Venue</b>	P.O.Jayshree-761025, District Ganjam (Odisha)
ii)	<b>(a) Financial year</b>	2015-16
	<b>(b) Financial Calendar</b>	The Financial Calendar for the year 2016-17 (Provisional) is as under :
	<b>a. Results for the first quarter ending 30th June, 2016</b>	By middle of August, 2016
	<b>b. Results for the second quarter ending 30th September, 2016</b>	By middle of November, 2016
	<b>c. Results for the third quarter ending 31st December, 2016</b>	By middle of February, 2017
	<b>d. Results (Audited) for the Financial year ending 31st March, 2017</b>	By end of May, 2017
	<b>e. Annual General Meeting for the year ending 31st March, 2017</b>	By end of September, 2017
iii)	<b>Dates of Book Closure</b>	The Register of Members and the Share Transfer Books of the Company will remain closed from 3rd September, 2016 to 9th September, 2016 both days inclusive, for the purpose of the Annual General Meeting of the Company to be held on 9th September, 2016.
iv)	<b>Dividend Payment Date</b>	No Dividend is proposed
v)	<b>Listing on Stock Exchange</b>	Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001  Annual Listing Fees to the Bombay Stock Exchange Ltd. for the year ended 31st March, 2015 has been paid.
vi)	<b>Stock Code</b>	<b>Name of Stock Exchange</b>
		<b>Physical</b>
		<b>Demat</b>
		Bombay Stock Exchange Ltd.
		506520
		INE693E01016
vii)	<b>Market Price Data</b>	The High and Low prices in each month in the Bombay Stock Exchange Ltd. (BSE) at which the Company's Shares are listed are given hereunder:-

## Report on Corporate Governance

	Month	Price per Share		
		High (₹)	Low (₹)	
	April, 2015	9.44	7.00	
	May, 2015	10.78	5.83	
	June, 2015	9.90	7.59	
	July, 2015	9.48	7.55	
	August, 2015	8.89	5.66	
	September, 2015	9.36	5.21	
	October, 2015	9.00	7.10	
	November, 2015	11.90	7.75	
	December, 2015	17.60	9.05	
	January, 2016	14.55	9.21	
	February, 2016	11.65	7.48	
	March, 2016	8.19	6.70	
viii) <b>Share price performance in comparison to broad-based Indices</b>	The Company's Share prices at the Bombay Stock Exchange Ltd. (BSE) are given hereunder :			
	On 1st April, 2015	₹ 7.45P. per Share		
	On 31st March, 2016	₹ 7.08P. per Share		
	Change	(–) 5%		
	<b>Indices (BSE Sensex)</b>	On 1st April, 2015 (Opening)	27,954.86	
		On 31st March, 2016 (Closing)	25,341.86	
Change		(–) 10.31%		
ix) <b>Registrars and Share Transfer Agents</b>	Niche Technologies Private Ltd. are acting as the Registrars of the Company for both physical and dematerialized form of Shares. The address of the above Registrars is given hereunder :			
	Niche Technologies Private Ltd. D-511, Bagree Market, 71, B.R.B.Basu Road, Kolkata-700001 Telephones : (033) 2235 7270/ 2235 7271 Fax No. 033-2215 6823 Email : nichetechpl@nichetechpl.com			
x) <b>Share Transfer System</b>	Niche Technologies Private Limited, the Registrars and Share Transfer Agents of the Company, processes transfer, sub-division, consolidation, splitting, etc, of Shares in physical form in close co-ordination with the Company and the same are approved by the Stakeholders Relationship Committee of the Company. Share Transfers, etc. are registered and returned within a period of 15 days and the Dematerialisation Requests are confirmed within 15 days from the dates of lodgment thereof.			

Consolidated Financials

Standalone Financials

Statutory Reports

## Report on Corporate Governance

### xi) Distribution of Shareholding:

#### a) Shareholding Pattern as on 31st March, 2016 is as under :-

Category	No. of Shares held	Percentage of Shareholding
Promoters	1,43,18,259	48.824
Mutual Funds / UTI	200	0.001
Banks, Financial Institutions and Insurance Companies	9,91,556	3.380
Private Corporate Bodies	12,96,447	4.421
Indian Public	1,22,66,749	41.828
NRIs / OCBs	4,53,046	1.545
Foreign Institutional Investors	200	0.001
ADRs/ GDRs	-	-
Total	2,93,26,457	100.00

#### b) Distribution of Shareholding as on 31st March, 2016 is as under :

No. of Equity Shares held	Shareholders		Shares	
	Nos.	%	Nos.	%
1 to 500	2594	57.40	505259	1.72
501 to 1000	701	15.51	593995	2.03
1001 to 5000	877	19.41	2089766	7.13
5001 to 10000	160	3.54	1153693	3.93
10001 to 50000	135	2.99	2654175	9.05
50001 to 100000	15	0.33	1150894	3.92
100001 and above	37	0.82	21178675	72.22
Total	4519	100.00	29326457	100.00

#### c) Details of Shares held by the Directors are as under :

Names	No. of Shares held	Percentage
Shri Shree Kumar Bangur	437500	1.492
Shri Dau Dayal Kothari	600	0.002
Shri Virendraa Bangur	492500	1.679
Shri Satish Kapur	11000	0.038
Shri Prabhu Nath Ojha	5	0.000

xii)	Dematerialisation of Shares and Liquidity	As on 31st March, 2016, 99.65% of the Company's total Shares representing 2,92,23,805 Shares were held in dematerialised form and the balance 0.35% representing 1,02,652 Shares were in physical form.
xiii)	Outstanding GDR/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity	The Company has not issued any GDR/ADRs. etc.
xiv)	Plant Location	The Company's Plant was located at P.O.Jayshree – 761025, District Ganjam (Odisha)

## Report on Corporate Governance

xv)	Addresses for correspondence	1. Registered Office P.O. Jayshree – 761025, District Ganjam (Odisha)
		2. Kolkata Office 31, Chowringhee Road, Kolkata-700016
		3. Registrars and Share Transfer Agents Niche Technologies Private Ltd. D-511, Bagree Market 71, B.R.B. Basu Road Kolkata-700001

### 10. Non-Mandatory Requirements

- i) **The Board** : The Board of Directors of the Company has not yet decided on maintenance of Chairman's office.
- ii) **Shareholder Rights** : As the quarterly and half yearly financial performance are published in the news papers and are also posted on the Company's website, the Board of Directors of the Company has not decided on sending these and summary of significant events to each household of shareholders.
- iii) **Audit qualifications** : The Company's financial statements for the Financial Year 2015-16 does not contain any audit qualification.
- iv) **Separate Posts of Chairman and CEO** : The Chairman of the Board is a Non-executive Director and his position is separate from that of the Managing Director & CEO.
- v) **Reporting of Internal Auditor** : The Internal Auditors report to the Audit Committee.

#### On behalf of the Board

**Virendraa Bangur**  
Managing Director  
(DIN : 00237043)

**Prabir Chakravarti**  
Director  
(DIN: 00273523)

**Prabhu Nath Ojha**  
Executive Director  
(DIN : 00592544)

Place : Kolkata  
Date : 30th May, 2016

#### TO WHOMSOEVER IT MAY CONCERN

I, Prabhu Nath Ojha, Executive Director of the Company, do hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance on an annual basis with the Code of Conduct as laid down by the Company pursuant to the requirements of Regulations 26(3) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

Kolkata,  
Date : 30th May, 2016

**Prabhu Nath Ojha**  
Executive Director  
(DIN : 00592544)

## Auditors' Certificate

To the Members of

### **Jayshree Chemicals Limited**

We have examined the compliance of the conditions of Corporate Governance by Jayshree Chemicals Limited for the year ended 31st March, 2016 as stipulated in SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that there was no complaint from the Shareholders during the year ended 31st March, 2016 and no complaint was pending at the end of the financial year.

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

For **K.N.Gutgutia & Co.**  
Chartered Accountants  
Firm Registration No.304153E

**CA Subhasish Pore**  
*Partner*  
Membership No. 055862

6C, Middleton Street, Kolkata  
Date : 30th May, 2016

## CEO / CFO Certificate

The Board of Directors

### **Jayshree Chemicals Ltd.**

We have reviewed the financial statements and the cash flow statement of Jayshree Chemicals Ltd. for the year ended on 31st March, 2016 and that to the best of our knowledge and belief, we state that;

- (a) i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee :
  - i) significant changes, if any, in internal control over financial reporting during the Financial Year;
  - ii) significant changes, if any, in accounting policies made during the Financial 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 or 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.

**Prabhu Nath Ojha**  
*Executive Director*  
(DIN : 00592544)

Kolkata,  
Date : 30th May, 2016

**Pawan Kumar Gupta**  
*Chief Financial Officer*

## **Independent** auditors' report

To  
the Members of  
**Jayshree Chemicals Limited**

### **Report on the Standalone Financial Statements**

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its Profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the Annexure - A a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

## **Independent** auditors' report (Contd.)

2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses.
  - iii. As we are informed there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Date : 30th May, 2016  
Place : Kolkata

For **K. N. Gutgutia & Co.**  
*Chartered Accountants*  
Firm Registration No.304153E  
**CA. Subhasish Pore**  
*Partner*  
Membership No. 055862

## Annexure - A to the Independent auditors' report

### AS STATED IN PARAGRAPH 6(1) OF OUR REPORT OF EVEN DATE ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- (i) a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) These fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c) The only immovable property of the Company is its Wind Mill. Title Deeds of the Wind Mill are in the Company's Name. All other immovable properties of the Company have since been sold to M/s. Aditya Birla Chemicals (India) Limited.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
- (iii) The company has granted any loans, secured or unsecured to companies or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and;
- a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest;
- b) The schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular;
- c) No amount is overdue.
- (iv) In respect of loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The company has not accepted any such deposits mentioned in the Clause.
- (vi) Maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and such accounts and records have been so made and maintained.
- (vii) a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- b) The following have not been deposited on account of any disputes :

Name of the Statute	Nature of the dues	Amount of Demand (₹)	Amount Deposited (₹)	Period to which amount relates	Forum where dispute is pending
Central Sales Tax Act	Sales Tax	4,02,979	80,000	2007-08 to 2010-11	ACCT Berhampur
Odisha Entry Tax Act	Odisha Entry Tax	14,04,592	2,00,000	2005-06 to 2010-11	ACCT Appeal Berhampur
Odisha Entry Tax Act	Odisha Entry Tax	55,77,540	6,00,000	2005-06 to 2010-11	ACCT Appeal Berhampur

- (viii) The company has defaulted in repayment of principal and interest to banks. However, the company has since repaid in full the entire outstanding loans and interest thereon to all the banks.
- (ix) No moneys were raised by way of initial public offer.
- (x) No fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act. However, approval for the remuneration paid to Sri P. N. Ojha, Executive Director for the period 17.08.2015 to 31.03.2016 is awaited.
- (xii) The Company is not a Nidhi Company and hence this clause is not applicable.

## **Annexure - A** to the Independent auditors' report

- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with it.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **K. N. Gutgutia & Co.**  
*Chartered Accountants*  
Firm Registration No.304153E

**CA. Subhasish Pore**  
*Partner*  
Membership No. 055862

Date : 30th May, 2016  
Place : Kolkata

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## **Annexure - B** to the Independent auditors' report

### **AS STATED IN PARAGRAPH 2 (f) OF OUR REPORT OF EVEN DATE ON REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

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

We have audited the internal financial controls over financial reporting of Jayshree Chemicals Limited ("the Company") as of March, 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

Management of the Company 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 component so internal control stated in "the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 Act.

#### **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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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.

## **Annexure - B** to the Independent auditors' report

### **Meaning of Internal Financial Controls Over Financial Reporting**

The 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 of the 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 authorizations of management of the company ; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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 March31,2016, 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.

Date : 30th May, 2016  
Place : Kolkata

For **K. N. Gutgutia & Co.**  
*Chartered Accountants*  
Firm Registration No.304153E  
**CA. Subhasish Pore**  
*Partner*  
Membership No. 055862

**Balance Sheet** as at 31st March, 2016

(Amount in ₹)

Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2.1	29,32,64,570	29,32,64,570
(b) Reserves and Surplus	2.2	(3,52,44,096)	(23,02,23,670)
		<b>25,80,20,474</b>	<b>6,30,40,900</b>
<b>(2) Non-current Liabilities</b>			
(a) Long-term Borrowings	2.3	–	34,40,63,680
(b) Deferred Tax Liabilities (Net)	2.4	–	–
(c) Long-term Provisions	2.5	10,04,865	48,96,590
		<b>10,04,865</b>	<b>34,89,60,270</b>
<b>(3) Current Liabilities</b>			
(a) Short-term Borrowings	2.6	–	81,88,32,347
(b) Trade Payables	2.7	4,60,703	14,02,50,268
(c) Other Current Liabilities	2.8	13,96,92,420	45,53,74,718
(d) Short-term Provisions	2.9	50,629	12,61,474
		<b>14,02,03,752</b>	<b>1,41,57,18,807</b>
<b>TOTAL (1+2+3)</b>		<b>39,92,29,091</b>	<b>1,82,77,19,977</b>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible Assets	2.10	4,82,65,729	1,44,16,95,872
(ii) Intangible Assets		–	3,24,748
(iii) Capital Work-in-Progress		–	52,06,197
		<b>4,82,65,729</b>	<b>1,44,72,26,817</b>
<b>(b) Non-current Investments</b>	2.11	60,00,000	60,00,000
<b>(c) Long-term Loans and Advances</b>	2.12	10,92,119	10,71,98,066
		<b>5,53,57,848</b>	<b>1,56,04,24,883</b>
<b>(2) Current Assets</b>			
(a) Current Investments	2.13	97,382	–
(b) Inventories	2.14	–	5,39,09,893
(c) Trade Receivables	2.15	62,70,543	14,85,12,507
(d) Cash and Bank Balances	2.16	23,58,92,505	2,67,01,115
(e) Short-term Loans and Advances	2.17	10,00,86,000	2,91,33,144
(f) Other Current Assets	2.18	15,24,813	90,38,435
		<b>34,38,71,243</b>	<b>26,72,95,094</b>
<b>TOTAL (1+2)</b>		<b>39,92,29,091</b>	<b>1,82,77,19,977</b>

**Significant Accounting Policies & Notes on Accounts**

1 &amp; 2

Notes Nos. 1 &amp; 2 forming part of the Balance Sheet

In terms of our report of even date attached herewith

For **K. N. GUTGUTIA & CO.**

Chartered Accountants

Firm Registration No. 304153E

**CA Subhasish Pore**

Partner

Membership No. 055862

6C, Middleton Street, Kolkata

Dated : 30th May, 2016

**Prabhu Nath Ojha**

Executive Director

(DIN : 00592544)

**S. K. Lahoti**

Company Secretary

**Prabir Chakravarti**

Director

(DIN: 00273523)

**Virendraa Bangur**

Managing Director

(DIN : 00237043)

**P. K. Gupta**

Chief Financial Officer

# Statement of Profit & Loss for the year ended 31st March, 2016

(Amount in ₹)

Particulars	Note No.	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>I. REVENUE FROM OPERATIONS</b>			
Sales (Gross)		59,21,11,528	1,34,28,45,478
Less : Excise Duty		6,25,30,046	14,64,63,718
<b>Sales (Net)</b>		<b>52,95,81,482</b>	<b>1,19,63,81,760</b>
Other Operating Revenues		20,54,355	64,66,875
		<b>53,16,35,837</b>	<b>1,20,28,48,635</b>
II. Other income	2.19	1,99,83,234	1,65,45,416
<b>III. Total Revenue (I + II)</b>		<b>55,16,19,071</b>	<b>1,21,93,94,051</b>
<b>IV. EXPENSES</b>			
Cost of Materials Consumed	2.20	13,43,92,686	30,76,26,969
Power and Fuel Expenses		29,74,56,512	65,66,10,592
Changes in Inventories of Finished Goods and Work-in-Progress	2.21	23,94,733	(1,06,47,983)
Employee Benefits Expense	2.22	6,35,31,662	12,28,95,927
Finance Costs	2.23	19,93,28,446	22,35,66,084
Depreciation and Amortization Expense	2.10	4,22,82,357	8,55,44,777
Other Expenses	2.24	16,78,51,525	13,13,46,773
<b>Total Expenses</b>		<b>90,72,37,921</b>	<b>1,51,69,43,139</b>
<b>V. Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b>		<b>(35,56,18,850)</b>	<b>(29,75,49,088)</b>
VI. Exceptional Items		55,10,48,837	1,48,33,755
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>19,54,29,987</b>	<b>(28,27,15,333)</b>
VIII. Extraordinary Items		-	-
<b>IX. Profit before Tax (VII-VIII)</b>		<b>19,54,29,987</b>	<b>(28,27,15,333)</b>
<b>X. Tax expense :</b>			
(1) Current Tax		-	-
(2) Deferred Tax (Net)		-	-
(3) MAT Credit Entitlement		-	-
(4) Income Tax/FBT provision/payment for earlier year		4,50,413	23,10,696
		<b>4,50,413</b>	<b>23,10,696</b>
<b>XI. Profit/(Loss) for the period from continuing Operations (IX-X)</b>		<b>19,49,79,574</b>	<b>(28,50,26,029)</b>
<b>XII. Earnings per Equity Share :</b>	2.35		
Equity Share of par value ₹ 10/- each			
(1) Basic		6.65	(9.72)
(2) Diluted		6.65	(9.72)

## Significant Accounting Policies & Notes on Accounts

1 & 2

Notes Nos. 1 & 2 forming part of the Statement of Profit and Loss

In terms of our report of even date attached herewith

For **K. N. GUTGUTIA & CO.**

Chartered Accountants

Firm Registration No. 304153E

**CA Subhasish Pore**

Partner

Membership No. 055862

6C, Middleton Street, Kolkata

Dated : 30th May, 2016

**Prabhu Nath Ojha**

Executive Director

(DIN : 00592544)

**Prabir Chakravarti**

Director

(DIN: 00273523)

**Virendraa Bangur**

Managing Director

(DIN : 00237043)

**S. K. Lahoti**

Company Secretary

**P. K. Gupta**

Chief Financial Officer

Consolidated Financials

Standalone Financials

Statutory Reports

## Cash Flow Statement for the year ended 31st March, 2016

(Amount in ₹)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extra-ordinary Items	19,54,29,987	(28,27,15,333)
Adjustments for:		
-Depreciation	4,22,82,357	8,55,44,777
-Net Profit/(Loss) on sale of fixed/discarded assets	(36,379)	39,98,691
-Bad Debts Written Off	20,90,982	70,51,173
-Obsolete Inventory Written Off	7,29,604	8,32,157
-Sundry Balances Written Off	34,21,857	62,825
-Interest Expenses	19,93,28,446	22,35,66,084
-Dividend Income	(3,91,37,468)	-
-Liabilities no longer required written back	(26,39,416)	(17,02,701)
-Net (Gain)/Loss on sale of Current Investment	3,56,43,594	-
-Interest Income	(1,32,07,096)	(1,05,69,059)
<b>Operating Profit Before Working Capital Changes</b>	<b>42,39,06,468</b>	<b>2,60,68,614</b>
Adjustments for:		
-Trade Payables	(46,12,94,738)	14,81,63,378
-Trade and other Receivables	17,74,88,702	2,84,34,254
-Inventories	5,31,80,289	(64,49,781)
<b>Cash Generated from Operations :</b>	<b>19,32,80,721</b>	<b>19,62,16,465</b>
-Direct Taxes Paid	(20,78,998)	(7,04,825)
<b>Net Cash generated from Operating Activities</b>	<b>19,12,01,723</b>	<b>19,55,11,640</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(6,08,070)	(1,84,11,997)
Sale of Fixed/Discarded Assets	1,35,73,23,180	-
Purchase of Current Investment(Net)	(3,57,40,976)	-
Loan to Subsidiary	(5,56,044)	(5,97,605)
Interest Received	2,07,20,718	1,08,05,574
Dividend Income	3,91,37,468	-
<b>Net Cash generated from Investing Activities</b>	<b>1,38,02,76,276</b>	<b>(82,04,028)</b>

## Cash Flow Statement for the year ended 31st March, 2016

(Amount in ₹)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Short Term Borrowings	(81,88,32,347)	20,37,98,916
Repayment of Long Term Borrowings	(34,40,63,680)	(16,92,28,925)
Unclaimed Dividend Paid	(62,136)	–
Interest Paid	(19,93,28,446)	(22,35,66,084)
<b>Net Cash generated/(used) in Financing Activities</b>	<b>(1,36,22,86,609)</b>	<b>(18,89,96,093)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)</b>	<b>20,91,91,390</b>	<b>(16,88,481)</b>
Opening Cash and Cash Equivalents	2,67,01,115	2,83,89,596
Closing Cash and Cash Equivalents	<b>23,58,92,505</b>	<b>2,67,01,115</b>

### Note :

- 1) The Company has sold its Chloro Alkali Manufacturing Facility at Ganjam Odisha and Salt Field at Pundi, Andhra Pradesh to Aditya Birla Chemicals (India) Ltd at the consideration of INR 212.00 crores on slump sale basis on 21st September, 2015.
- 2) Out of the total consideration of INR 212.00 crores, INR 13.00 crores still lying in the Escrow Accounts maintained with a schedule bank due to some pending matter with Odisha State Government.
- 3) Figures of the Current Financial Year is not comparable with the Previous Financial Year as the operation of the Chloro Alkali Manufacturing Facility at Ganjam, Odisha and Salt Field at Pundi, Andhra Pradesh has been sold to Aditya Birla Chemicals (India) Ltd. on slump sale basis on 21st September, 2015.

This is the Cash Flow statement referred to in our Report of even date.

In terms of our report of even date attached herewith

For **K. N. GUTGUTIA & CO.**

Chartered Accountants

Firm Registration No. 304153E

**CA Subhasish Pore**

Partner

Membership No. 055862

6C, Middleton Street, Kolkata

Dated : 30th May, 2016

**Prabhu Nath Ojha**

Executive Director

(DIN : 00592544)

**Prabir Chakravarti**

Director

(DIN: 00273523)

**Virendraa Bangur**

Managing Director

(DIN : 00237043)

**S. K. Lahoti**

Company Secretary

**P. K. Gupta**

Chief Financial Officer

# Accounting Policies & Notes on Accounts for the year ended 31st March, 2016

(Forming an integral part of the Standalone Financial Statements)

## NOTE NO. 1

### A) SIGNIFICANT ACCOUNTING POLICIES :

#### 1) Accounting Concept

The financial statements have been prepared under the historical cost convention on the accrual basis in accordance with the generally accepted accounting principles, Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules 2014 and relevant provisions thereof.

#### 2) Use of Estimates :

The preparation of financial statements requires to make estimates and assumption that affect the reported amount of assets and liabilities and disclosure relating to contingent liabilities and assets as at the Balance Sheet date and reported amount of income and expenses during the year.

Contingencies are recorded when probable that liability will be incurred and the amount can reasonably be estimated.

Difference between the actual result and the estimates are recognised in the year the result are known /materialised.

#### 3) Fixed Assets :

Fixed Assets are stated at cost excluding excise duty and education cess thereon. In respect of major projects involving construction, erection etc. related pre-operational expenses (net of revenue) form part of the value of the assets capitalised. Fixed assets retired from active use and held for disposal are valued at lower of their written down value or net realizable value.

#### 4) Depreciation :

Depreciation on fixed assets is calculated in a manner that it depreciates / amortises the depreciable values of fixed assets over their estimated useful lives. The depreciable amount of an asset is the cost of an asset or other amount substituted for cost, less its residual value.

#### 5) Investment :

Long term investments are valued at cost. Decline in the value of investment, other than temporary in nature, are provided/ charged to the Statement of Profit & Loss.

#### 6) Inventories :

Inventories are valued at cost or net realisable value, whichever is lower. Cost comprises, for finished goods, cost of purchase and production overheads.

Work-in-progress is valued at material cost. All other inventories are valued as per weighted average method.

#### 7) Excise Duty :

Excise duty inclusive of Education Cess is accounted for at the point of manufacture of goods and accordingly is considered for valuation of finished goods stock lying in the factory as on the Balance Sheet date.

#### 8) Retirement Benefits :

(i) The Company has constituted a separate Gratuity Trust Fund. Yearly contribution towards accrued liability on account of gratuity payable to employees is provided in the accounts on the basis of actuarial valuation and is paid to the Trust from time to time.

(ii) Leave liability in respect of employees is accounted for on actuarial valuation basis.

#### 9) Taxation :

Current income tax is estimated at the amount estimated to be paid under the Income Tax Act, 1961 and is charged to profit & loss account for the year.

## Accounting Policies & Notes on Accounts for the year ended 31st March, 2016 (Contd.)

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date.

Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realised in future. Deferred tax assets are recognized on unabsorbed losses only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits.

### 10) Sales :

Sales are inclusive of Excise Duty and Education Cess and exclusive of Value Added Tax and net of brokerage & commission.

### 11) Recognition of Income & Expenditure :

All items of Income & Expenditure are accounted for on accrual basis, unless otherwise stated.

### 12) Foreign Currency Transactions :

Foreign currency transactions and Forward Contracts are accounted for at the prevailing exchange rate on the date of transactions.

Foreign currency monetary assets and liabilities and unsettled forward contracts are translated on the basis of closing exchange rate.

Foreign currency non-monetary assets and liabilities are carried as per the exchange rate on the date of transaction.

Exchange differences arising on settlement/conversion of monetary assets and liabilities are recognized as income or expenses in the year in which they arise.

The premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense for the period.

### 13) Borrowing Costs :

Borrowing costs relating to (i) funds borrowed for acquisition of Fixed Assets are capitalised and (ii) funds borrowed for other purpose are charged to Profit & Loss Account.

### 14) Impairment of Assets :

Impairment is recognised to the extent that the recoverable amount of an asset is less than its carrying amount and the difference is charged to Statement of Profit & Loss as prescribed by the ICAI in Accounting Standard 28 - Impairment of Assets.

### 15) Segment Reporting :

The Company has identified that its business segments are the primary segments. The Company identifies the business segments on the basis of products, risks and returns and internal reporting system.

The geographical segment identification is based on the location of customers of the Company.

The Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. Common cost, if any, is allocable on reasonable basis. The revenues, expenses, assets and liabilities which are not allocable are shown as "Unallocated".

## Notes to the Financial Statements

(Amount in ₹)

2 NOTES ON ACCOUNTS		
Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.1 SHARE CAPITAL</b>		
<b>Authorised Capital</b>		
Equity Share of ₹ 10/- par value		
4,00,00,000 (4,00,00,000) Equity Shares	<b>40,00,00,000</b>	40,00,00,000
<b>Issued, Subscribed and paid-up Capital</b>		
Equity Share of ₹ 10/- par value		
2,93,26,457 (2,93,26,457) Equity Shares of ₹ 10/- each fully paid in cash	<b>29,32,64,570</b>	29,32,64,570

### NOTES :

- The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of shares held by the shareholders.
- Details of Share holders holding more than 5% of total shares as on 31st March, 2016

Name of Shareholder	No. of Shares	% to Total Shares
Shree Satyanarayan Investments Co. Ltd.	22,11,248	8
The Thirumbadi Rubber Co. Ltd	18,37,000	6
Veer Enterprises Limited	31,41,958	11

- The reconciliation of the number of shares outstanding as at 31st March, 2016 is as below :

Particulars	As at 31st March 2016	As at 31st March 2015
Number of shares at the beginning	2,93,26,457	2,93,26,457
Number of shares at the closing	<b>2,93,26,457</b>	<b>2,93,26,457</b>

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.2 RESERVE &amp; SURPLUS</b>		
<b>Capital Redemption Reserve</b>		
As per last Account	30,00,000	30,00,000
<b>Share Premium</b>		
As per last Account	12,10,13,227	12,10,13,227
<b>Investment Allowance Utilised reserve</b>		
As per last Account	8,12,000	8,12,000
<b>General Reserve</b>		
As per last Account	24,42,936	24,42,936
<b>Surplus</b>		
Opening Balance	(35,74,91,833)	(7,24,65,804)
Add : Net profit after tax transferred from Statement of Profit & Loss	19,49,79,574	(28,50,26,029)
	<b>(16,25,12,259)</b>	<b>(35,74,91,833)</b>
<b>TOTAL (2.2)</b>	<b>(3,52,44,096)</b>	<b>(23,02,23,670)</b>

## Notes to the Financial Statements

(Amount in ₹)

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.3 LONG TERM BORROWINGS</b>		
<b>1. Term Loans-Secured</b>		
From Banks	–	29,90,00,307
<b>2. Deferred Payment Liabilities</b>	–	4,50,63,373
<b>TOTAL (2.3)</b>	–	<b>34,40,63,680</b>
<b>Notes :</b>		
<b>1. Term Loans - Secured</b>		
From Banks		
i Rupee/FCNR(B)/FCTL Term Loan	–	29,83,20,795
ii Car Loan	–	6,79,512
	–	<b>29,90,00,307</b>

### Notes :

The Company acquired vehicles under Hire Purchase Scheme, Minimum Lease payment outstanding as at 31st March 2016 in respect of these assets are as under :

Due	Total Minimum Lease Outstanding as on 31st March, 2016	Interest not due	Present Value minimum lease Payments
Within one year	–	–	–
Last Year	8,13,744	1,07,970	7,05,774
Later than one year and not later than five years	–	–	–
Last year	7,54,584	75,072	6,79,512
Total : Current Year	–	–	–
Total : Last Year	15,68,328	1,83,042	13,85,286

<b>2. Deferred Payment Liabilities</b>		
Electricity Duty Payable	–	4,50,63,373
<b>TOTAL (2.3)</b>	–	<b>34,40,63,680</b>

	As at 31.03.2016	As at 31.03.2015
<b>2.4 DEFERRED TAX LIABILITIES (NET)</b>		
Deferred Tax Liabilities (Net)	–	–

<b>2.5 LONG TERM PROVISIONS</b>		
<b>Provision for Employees Benefit</b>		
Leave Liability	10,04,865	48,96,590
<b>Total (2.5)</b>	<b>10,04,865</b>	<b>48,96,590</b>

## Notes to the Financial Statements

(Amount in ₹)

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.6 SHORT TERM BORROWINGS</b>		
a) <b>Loan Repayable on demand (Secured)</b>		
From Banks :		
- Cash Credit A/c	-	14,85,44,581
b) <b>Loan Repayable on demand (Unsecured)</b>		
From Bodies Corporate	-	39,93,87,766
c) <b>Loan from Related Parties</b>	-	27,09,00,000
<b>Total (2.6)</b>	<b>-</b>	<b>81,88,32,347</b>
<b>2.7 TRADE PAYABLE</b>		
a) MSME	-	2,26,590
b) Others	4,60,703	14,00,23,678
<b>Total (2.7)</b>	<b>4,60,703</b>	<b>14,02,50,268</b>
<b>Notes :</b>		
Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the Company : Principal amount Outstanding as at 31st March, 2016 ₹ NIL, (₹ 2,12,740/-)		
<b>2.8 OTHER CURRENT LIABILITIES</b>		
a. Current Maturities of Long-term Borrowings	-	24,50,30,184
b. Interest Accrued but not due on Borrowings (Interest on ICD Loan)	-	1,96,12,088
c. Interest Accrued and Due on Borrowings	-	1,06,95,009
d. Unpaid Dividends	1,47,599	2,09,735
e. <b>Others Payable</b>		
i Amount Payable to Employees	5,70,054	47,57,835
ii Income Tax and Other Dues Payables to Govt Dept	7,10,826	1,87,70,855
iii Provision for Expenses	79,61,316	3,42,60,322
iv Other Payables	3,02,625	1,40,55,783
v Advance from Customers	13,00,00,000	8,87,10,738
vi Security Deposit from Parties	-	15,19,265
vii Provision for Gratuity	-	1,77,52,904
	<b>13,95,44,821</b>	<b>17,98,27,702</b>
<b>Total (2.8)</b>	<b>13,96,92,420</b>	<b>45,53,74,718</b>
<b>2.9 SHORT TERM PROVISIONS</b>		
<b>Provision for Employees Benefit</b>		
Leave Liability	50,629	12,61,474
<b>Total (2.9)</b>	<b>50,629</b>	<b>12,61,474</b>

## Notes to the Financial Statements

(Amount in ₹)

### 2.10 FIXED ASSETS AS AT 31ST MARCH, 2016

Particulars	Original Cost as on 01/04/2015	Addition during the year 2015-16	Sold or Adjustment During 2015-16	Total Cost as on 31/03/2016	Total Deprn. Provided Upto 01/04/2015	Deprn. for the Year 2015-16	Sold or Adjustment During 2015-16	Total Deprn. upto 31/03/2016	W. D. V. as on 31/03/2016	W. D. V. as on 31/03/2015
<b>Tangible Assets</b>										
Land (Free hold)	33,74,249	-	17,63,249	16,11,000	-	-	-	-	16,11,000	33,74,249
Land (Lease hold)	9,24,899	-	9,24,899	-	1,68,321	17,491	1,85,812	-	-	7,56,578
Development of Site including Roads	1,14,62,457	-	1,14,62,457	-	64,81,454	12,85,788	77,67,242	-	-	49,81,003
Buildings	32,11,58,575	11,15,163	32,09,12,428	13,61,310	4,85,54,486	46,67,756	5,30,45,649	1,76,593	11,84,718	27,26,04,089
Plant & Machinery	1,19,89,57,258	46,84,931	1,14,01,23,437	6,35,18,752	25,34,01,175	2,15,49,150	25,46,51,966	2,02,98,359	4,32,20,393	94,55,56,083
Railway Siding	-	-	-	-	-	-	-	-	-	-
Water Supply & Tube Well	2,74,55,761	-	2,74,55,761	-	61,78,385	4,51,606	66,29,991	-	-	2,12,77,376
Furniture & Fittings	29,70,139	-	25,82,933	3,87,206	21,44,712	1,12,701	20,07,406	2,50,007	1,37,199	8,25,426
Office Equipments	50,50,295	14,173	37,42,611	13,21,857	46,81,357	55,731	34,77,506	12,59,582	62,276	3,68,939
Electrical Installation	21,28,29,865	-	21,05,78,563	22,51,302	5,90,46,614	1,13,56,176	6,86,34,015	17,68,775	4,82,527	15,37,83,251
Motor Car & Vehicles	74,47,437	-	32,11,131	42,36,306	45,69,647	4,54,398	23,55,355	26,68,690	15,67,616	28,77,790
Laboratory Equipments	65,55,676	-	65,55,676	-	28,39,520	2,53,297	30,92,817	-	-	37,16,156
Handling Equipments	6,80,32,314	-	6,80,32,314	-	3,64,57,382	19,64,388	3,84,21,770	-	-	3,15,74,932
	<b>1,86,62,18,925</b>	<b>58,14,267</b>	<b>1,79,73,45,459</b>	<b>7,46,87,733</b>	<b>42,45,23,053</b>	<b>4,21,68,483</b>	<b>44,02,69,529</b>	<b>2,64,22,006</b>	<b>4,82,65,729</b>	<b>1,44,16,95,872</b>
<b>Intangible Assets</b>										
Computer Software	9,96,033	-	9,96,033	-	6,71,286	1,13,874	7,85,160	-	-	3,24,748
	<b>1,86,72,14,958</b>	<b>58,14,267</b>	<b>1,79,83,41,492</b>	<b>7,46,87,733</b>	<b>42,51,94,339</b>	<b>4,22,82,357</b>	<b>44,10,54,689</b>	<b>2,64,22,006</b>	<b>4,82,65,729</b>	<b>1,44,20,20,620</b>
Previous Year Figure	1,85,53,05,221	2,40,94,742	1,21,84,735	1,86,72,14,958	34,78,35,607	8,55,44,777	81,86,046	42,51,94,338	1,44,20,20,620	0

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.11 NON-CURRENT INVESTMENTS</b>		
<b>Other Than Trade (Unquoted)</b>		
Investments In Equity Instruments :		
- In Subsidiary		
6,00,000 (6,00,000) Equity Shares of ₹ 10/- each fully paid-up in East Coast Powers Limited		
<b>Total (2.11)</b>	<b>60,00,000</b>	<b>60,00,000</b>

<b>2.12 LONG TERM LOANS AND ADVANCES</b>		
(Unsecured considered good)		
a. Security Deposit	10,92,119	10,49,84,416
b. Deposit With Sales Tax	-	22,13,650
<b>Total (2.12)</b>	<b>10,92,119</b>	<b>10,71,98,066</b>

Consolidated Financials

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## Notes to the Financial Statements

(Amount in ₹)

Particulars	Face Value (₹)	No. of units	As at 31.03.2016	As at 31.03.2015
<b>2.13 CURRENT INVESTMENTS</b>				
Investments in Mutual Fund - Short Term				
ICICI Prudential Flexible Income Plan - Growth	10	324.456	92,866	–
Kotak Treasury Advantage Fund - Regular Plan - Growth	10	187.028	4,516	–
<b>Total (2.13)</b>			<b>97,382</b>	<b>–</b>

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.14 INVENTORIES</b>		
a. Raw materials	–	1,39,32,859
b. Work -in- Progress	–	22,72,587
c. Finished Goods	–	1,49,05,759
d. Stores and Spares	–	2,27,98,688
e. Goods in Transit	–	–
<b>Total (2.14)</b>	<b>–</b>	<b>5,39,09,893</b>

**Note :** Inventories are valued at cost or net realisable value, whichever is lower.

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.15 TRADE RECEIVABLE</b>		
(Unsecured considered good)		
a. More than 6 months from the due date	43,18,496	74,57,143
b. Others	19,52,047	14,10,55,364
<b>Total (2.15)</b>	<b>62,70,543</b>	<b>14,85,12,507</b>

**Note :** In the opinion of the management the amounts are good and realisable.

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.16 CASH AND BANK BALANCES</b>		
<b>a. Cash and Cash equivalents</b>		
i Balances with Banks :		
- In Current Account	4,94,78,422	36,30,024
ii. Cash in Hand	70,033	17,74,455
ii. Cheques in Hand	3,53,802	–
	<b>4,99,02,257</b>	<b>54,04,479</b>
<b>b. Others</b>		
i. Unpaid Dividend A/c - IDBI	1,47,599	2,09,735
ii. Special Term Deposit/Margin Money with Banks	5,13,76,575	2,10,86,901
iii. Escrow Account with Bank	13,44,66,074	–
	<b>18,59,90,248</b>	<b>2,12,96,636</b>
<b>Total (2.16)</b>	<b>23,58,92,505</b>	<b>2,67,01,115</b>

## Notes to the Financial Statements

(Amount in ₹)

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.17 SHORT TERM LOANS &amp; ADVANCES</b>		
(Unsecured considered good)		
a Loan to Subsidiary	35,29,841	29,73,797
b Loan to Employees	4,21,500	8,98,742
c Other Recoverable Advances	7,96,86,231	1,07,33,755
d Balances With Excise and other Govt. Dept.	8,80,000	20,99,418
e Advance to Parties	54,94,562	19,30,935
f Prepaid Expenses	8,44,271	28,95,487
g Advance Income Tax(Net of Income Tax Provision)	92,29,595	76,01,010
<b>Total (2.17)</b>	<b>10,00,86,000</b>	<b>2,91,33,144</b>

<b>2.18 OTHER CURRENT ASSETS</b>		
Interest accrued but not due on Deposit	15,24,813	90,38,435
<b>Total (2.18)</b>	<b>15,24,813</b>	<b>90,38,435</b>

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>2.19 OTHER INCOME</b>		
<b>a. Interest</b>		
From Bank	80,96,694	18,28,804
From Subsidiary	4,22,542	4,32,486
From Other	46,87,860	83,07,769
	<b>1,32,07,096</b>	<b>1,05,69,059</b>
<b>b. Other non-operating income</b>		
i Liabilities no longer required written back	26,39,416	17,02,701
ii Profit on sale of fixed/discarded assets	36,379	-
iii Dividend Income	3,91,37,468	-
iv Net Gain/(Loss) on sale of Current Investment	(3,56,43,594)	-
v Miscellaneous Receipts	6,06,469	42,73,656
<b>Total (2.19)</b>	<b>1,99,83,234</b>	<b>1,65,45,416</b>

<b>2.20 COST OF MATERIALS CONSUMED</b>		
(Including own production)		
a. Opening Stock of Raw Materials	1,09,44,493	85,73,996
b. Add : Raw materials Purchased	13,35,69,047	30,99,97,466
	<b>14,45,13,540</b>	<b>31,85,71,462</b>
c. Less : Closing Stock of Raw Materials	1,01,20,854	1,09,44,493
<b>Total (2.20)</b>	<b>13,43,92,686</b>	<b>30,76,26,969</b>

### Note :

Cost of Materials Consumed Includes employee benefits expenses ₹ 17,36,938/- (₹ 32,22,841/-), Power & Fuel ₹ 5,08,093/- (₹ 9,49,148/-), Repairs & Maintance ₹ 5,08,093/- (₹ 18,38,517/-), Insurance ₹ Nil (₹ 5,232/-) and Rates & Taxes ₹ 52,26,214/- (₹ 3,78,907/-).

## Notes to the Financial Statements

(Amount in ₹)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>2.21 CHANGES IN INVENTORIES</b>		
<b>a. Opening Inventories</b>		
1 Finished Goods	1,49,05,759	41,84,549
2 Work-in-Progress	22,72,587	23,45,814
	<b>1,71,78,346</b>	<b>65,30,363</b>
<b>b. Less : Closing Inventories</b>		
1. Finished Goods	1,29,01,694	1,49,05,759
2. Work-in-Progress	18,81,919	22,72,587
	<b>1,47,83,613</b>	<b>1,71,78,346</b>
<b>(Increase) / Decrease in Inventories</b>	<b>23,94,733</b>	<b>(1,06,47,983)</b>

**Note :**

Closing stock of Raw Material ,Work in Progress & Finished Goods has not been shown in Balance Sheet due to sale of Company's Chloro Alkali Manufacturing Facility along with salt field "on as is where is basis" on slump sale basis to Aditaya Birla Chemicals (India) Ltd during the year under review.

<b>2.22 EMPLOYEES BENEFIT EXPENSES</b>		
a. Salaries and Wages	4,70,89,723	9,68,99,216
b. Contribution to provident and other funds (Including Admn. Charges)	46,55,263	95,82,953
c. Staff Welfare Expenses	1,17,86,676	1,64,13,758
	<b>6,35,31,662</b>	<b>12,28,95,927</b>
<b>Note :</b>		
<b>i. Employees Benefit Expenses includes</b>		
- Provision for Gratuity	–	96,44,224
- Provision for Leave Encashment	1,15,287	17,65,428
	<b>1,15,287</b>	<b>1,14,09,652</b>
<b>ii. Employees Benefit Expenses includes managerial remuneration ₹ 76,49,838/- (₹ 81,89,691/-)</b>		

<b>2.23 FINANCE COST</b>		
a. Interest Expenses		
- Bank	6,38,17,350	8,44,41,545
- Others	12,04,20,765	9,82,47,475
	<b>18,42,38,115</b>	<b>18,26,89,020</b>
b. Other Borrowing Costs	1,50,90,331	4,08,77,064
<b>Total (2.23)</b>	<b>19,93,28,446</b>	<b>22,35,66,084</b>

## Notes to the Financial Statements

(Amount in ₹)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>2.24 OTHER EXPENSES</b>		
a. Consumption of stores and spares part	45,94,991	1,16,88,451
b. Rent (Net)	14,23,280	13,71,644
c. Transportation Charges(Net)	1,60,53,984	1,70,42,983
d. Repairs & Maintenance	2,88,49,004	4,47,24,246
i) Buildings	15,92,800	43,96,585
ii) Plants & Machineries	1,97,15,143	2,32,04,191
iii) Others	75,41,061	1,71,23,470
e. Insurance	15,02,568	23,90,635
f. Rates and Taxes	8,53,04,102	68,40,412
g. Travelling & Vehicles Expenses	54,29,779	85,87,452
h. Legal & Professional Expenses	24,20,036	39,54,987
i. Loss on sale/discard of fixed assets	–	39,98,691
j. Bad Debts Written Off	20,90,982	70,51,173
k. Obsolete Inventory Written Off	7,29,604	8,32,157
l. Sundry Balances Written Off	34,21,857	62,825
m. Difference of excise duty on opening/closing of finished goods stocks	(7,91,639)	10,49,938
n. Directors' Sitting Fees	2,05,000	1,95,000
o. Payments to the Auditor	4,78,894	4,26,513
p. CSR Expenses	7,18,402	11,86,387
q. Miscellaneous Expenses	1,54,20,681	1,99,43,279
<b>Total (2.24)</b>	<b>16,78,51,525</b>	<b>13,13,46,773</b>
<b>Notes :</b>		
1. <b>Rent (Net)</b>		
- Rent Paid	14,40,320	14,60,724
- Rent Received	(17,040)	(89,080)
	<b>14,23,280</b>	<b>13,71,644</b>
2. <b>Transportation Charges (Net)</b>		
- Paid	8,11,98,159	16,60,31,060
- Realised	(6,51,44,175)	(14,89,88,077)
	<b>1,60,53,984</b>	<b>1,70,42,983</b>
3. <b>Repairs &amp; Maintenance includes consumption of stores and spares part ₹ 54,19,822/- (₹ 1,64,76,931/-)</b>		
4. <b>Payments to the Auditor</b>		
a. Auditors' Remuneration	1,43,125	1,25,000
b. For Taxation Matters	57,250	50,000
c. For Other Services	2,50,829	1,58,125
d. For Re-imbursement of Expenses	27,290	63,388
e. Payment to Cost Auditor	–	30,000
	<b>4,78,494</b>	<b>4,26,513</b>
5. CSR Expenses includes Donation of ₹ 4,00,000/- (₹ 4,00,000/-).		

Consolidated Financials

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## Notes to the Financial Statements

(Amount in ₹)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>2.25 CONTINGENT LIABILITIES AND COMMITMENTS</b>		
a. Contingent Liabilities		
(i) Claims against the Company not Acknowledged as Debt (Net of deposit)		
i) Sales Tax Demand under Appeals	65,05,111	82,51,465
ii) Others	4,06,044	5,95,92,288
II. Guarantees	69,11,155	6,78,43,753
	4,36,54,277	4,31,31,109
	5,05,65,432	11,09,74,862
b. Commitments		
(i) Outstanding Estimated Capital Commitment (Net of Advances)	–	20,46,600
(ii) Other commitment	–	–

### Derivative Instruments :

- i. The Company uses foreign currency forward contracts to hedge risk associated with foreign currency fluctuations. The Company does not use forward contracts for speculative purposes.  
Outstanding Forward Contracts entered into by the Company on account of payables:

#### Loan Payable

As at	No. of Contracts	US Dollar	INR Equivalent
<b>31.03.2016</b>	–	–	–
31.03.2015	2	37,41,000	22,48,39,327

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>2.26 DISCLOSURES</b>		
a. <b>Consumption of Raw materials</b>		
Salt	12,00,04,888	27,32,79,123
Barium Carbonate	1,30,54,833	3,08,69,851
Soda Ash	10,89,955	30,84,057
Sodium Bisulphite	2,43,010	3,93,938
<b>Total</b>	<b>13,43,92,686</b>	<b>30,76,26,969</b>
b. <b>Value of goods sold</b>		
<b>Chemicals</b>		
Caustic Soda	58,21,26,138	1,35,67,54,473
Liquid Chlorine	(1,65,11,017)	(6,59,82,430)
Hydrochloric Acid	1,33,34,874	2,77,83,704
Sodium Hypochlorite	70,26,488	1,67,60,994
	<b>58,59,76,483</b>	<b>1,33,53,16,741</b>
Wind Power	61,35,045	75,28,737
<b>Total</b>	<b>59,21,11,528</b>	<b>1,34,28,45,478</b>
c. <b>Opening Stock</b>		
<b>Chemicals</b>		
Caustic Soda	1,44,66,706	36,75,234
Liquid Chlorine	1,05,429	2,63,993
Hydrochloric Acid	1,97,430	2,08,456
Sodium Hypochlorite	1,36,194	36,865
<b>Total</b>	<b>1,49,05,759</b>	<b>41,84,548</b>
d. <b>Closing Stock</b>		
<b>Chemicals</b>		
Caustic Soda	–	1,44,66,706
Liquid Chlorine	–	1,05,429
Hydrochloric Acid	–	1,97,430
Sodium Hypochlorite	–	1,36,194
<b>Total</b>	–	<b>1,49,05,759</b>

## Notes to the Financial Statements

(Amount in ₹)

Particulars	Year Ended 31.03.2016		Year Ended 31.03.2015	
	%	₹	%	₹
<b>e. Consumption of Raw materials, spares parts and component consumed</b>				
<b>Imported</b>				
Raw Materials	–	–	–	–
Spares Parts and Component	–	0	100.00	8,02,674
<b>Total Imported consumption</b>	<b>0.00</b>	<b>0</b>	<b>100.00</b>	<b>8,02,674</b>
<b>Indigenous</b>				
Raw Materials	96.69	13,43,92,686	91.83	30,76,26,969
Spares Parts and Component	3.31	45,94,991	8.17	2,73,62,708
<b>Total Indigenous consumption</b>	<b>100.00</b>	<b>13,89,87,677</b>	<b>100.00</b>	<b>33,49,89,677</b>
i) Imported Consumption	0.00	0	0.24	8,02,674
ii) Indigenous Consumption	100.00	13,89,87,677	99.76	33,49,89,677
<b>Total Consumption (i + ii)</b>	<b>100.00</b>	<b>13,89,87,677</b>	<b>100.00</b>	<b>33,57,92,351</b>

Cost of Materials Consumed Includes employee benefits expenses ₹ 17,36,938/- (₹32,22,841/-), Power & Fuel ₹ 5,08,093/- (₹ 9,49,148/-), Repairs & Maintenance ₹ 5,08,093/- (₹ 18,38,517/-), Insurance ₹ Nil/- (₹ 5,232/-) and Rates & Taxes ₹ 52,26,214/- (₹ 3,78,907/-).

	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>2.27 VALUE OF IMPORTS CALCULATED ON C.I.F BASIS</b>		
I. Raw materials	–	–
II. Components and spare parts	–	3,43,395
III. Capital goods	–	50,66,683
<b>2.28 EXPENDITURE IN FOREIGN CURRENCY</b>		
Other matters	–	–
<b>2.29 EARNINGS IN FOREIGN EXCHANGE</b>		
Other Income		
Commission	15,82,198	51,80,001

### 2.30 SEGMENT REPORTING

The company has no reportable business segment as per AS-17 "Segment Reporting" as it mainly deals into the business of chemicals only.

The Company caters mainly to the needs of domestic market. There is no export turnover during the year, as such there are no reportable Geographical segments.

## Notes to the Financial Statements

### 2.30 RELATED PARTY DISCLOSURE :

Name of the related party	Relationship
<b>A. Name of the related party with whom the Company has transactions during the year</b>	
East Coast Powers Limited	Subsidiary
The West Coast Paper Mills Ltd	Control of KMP
Shree Ram Trust	Control of KMP
Orbit Udyog Pvt. Ltd.	Control of KMP
B.N. Kapur Pvt Ltd	Control of KMP
The Thirumbadi Rubber Co. Ltd.	Control of KMP
Crossley & Towers Pvt.Ltd	Control of KMP
Shree Satyanarayan Investments Co. Ltd	Control of KMP
The Diamond Company Ltd	Control of KMP
Sri Girija Prasanna Cotton Mills Ltd .	Control of KMP
The Indra Company Ltd.	Control of KMP
Veer Enterprises Ltd.	Control of KMP
Akhivi Tea Plantations & Agro Ind. Ltd.	Control of KMP
Gold Mohore Investments Co. Ltd.	Control of KMP
Saumya Trade & Fiscal Services (P) Ltd.	Control of KMP
Shree Kumar Bangur	Chairman
Virendraa Bangur	Managing Director
P N Ojha	Executive Director
P K Gupta	Chief Financial Officer
S K Lahoti	Company Secretary
Shashi Devi Bangur	Relative of KMP
Bharati Bangur - Executive (Corporate Affairs)	Relative of KMP

Note : KMP means Key Managerial Personnel

(Amount in ₹)

Nature of Transactions	2015-16	2014-15
<b>B) Related Party Transactions are as follows :</b>		
Loan given to East Coast Powers Limited	1,75,757	17,00,000
Loan repayment from East Coast Powers Limited	–	16,00,000
Interest received from Subsidiary	4,22,542	4,32,486
Rent Received from The West Coast Paper Mills Ltd	1,58,616	1,58,616
Sale of goods to The West Coast Paper Mills Ltd.	–	32,94,276
Rent & Service Charges paid - Veer Enterprises Ltd.	12,84,915	10,91,124
Donation paid - Shree Ram Trust, Kolkata	4,00,000	4,00,000
Loan received from The Diamond Co. Ltd	1,50,00,000	37,00,000
Loan repayment to The Diamond Co. Ltd	3,37,00,000	–
Interest paid to The Diamond Co. Ltd	14,87,363	23,89,760
Loan received from Sri Girija Prasanna Cottons Mills Ltd	–	–
Loan repayment to Sri Girija Prasanna Cottons Mills Ltd	1,52,00,000	–
Interest paid to Sri Girija Prasanna Cotton Mills Ltd .	10,93,151	23,38,730

## Notes to the Financial Statements

(Amount in ₹)

Nature of Transactions	2015-16	2014-15
Loan received from Shree Satyanarayan Investments Co. Ltd.	1,65,00,000	3,18,00,000
Loan repayment to Shree Satyanarayan Investments Co. Ltd.	5,08,00,000	2,00,00,000
Interest paid to Shree Satyanarayan Investments Co. Ltd.	26,80,014	44,08,243
Loan received from Crossley & Towers Pvt. Ltd.	–	–
Loan repayment to Crossley & Towers Pvt. Ltd.	1,00,00,000	–
Interest Paid to Crossley & Towers Pvt. Ltd.	7,19,178	16,14,657
Loan repayment to B.N.Kapur Pvt. Ltd.	20,00,000	–
Interest paid to B.N.Kapur Pvt. Ltd.	1,43,835	3,23,673
Loan Received from Veer Enterprises Ltd.	65,00,000	3,62,00,000
Loan repayment to Veer Enterprises Ltd.	4,27,00,000	2,00,00,000
Interest paid to Veer Enterprises Ltd.	27,57,514	28,90,857
Loan Received from Orbit Udyog Pvt. Ltd.	–	1,25,00,000
Loan repayment to Orbit Udyog Pvt. Ltd.	1,75,00,000	–
Interest paid to Orbit Udyog Pvt. Ltd.	13,00,514	11,78,425
Loan Received from Akhivi Tea Plantations & Agro Ind. Ltd.	1,00,00,000	1,85,00,000
Loan repayment to Akhivi Tea Plantations & Agro Ind. Ltd.	2,85,00,000	–
Interest paid to Akhivi Tea Plantations & Agro Ind. Ltd.	16,63,595	63,062
Loan Received from Gold Mohore Investments Co. Ltd.	10,00,000	90,00,000
Loan repayment to Gold Mohore Investments Co. Ltd.	1,00,00,000	–
Interest paid to Gold Mohore Investments Co. Ltd.	7,06,632	7,56,953
Loan Received from The Indra Company Ltd.	10,00,000	75,00,000
Loan repayment to The Indra Company Ltd.	85,00,000	–
Interest paid to The Indra Company Ltd.	5,95,159	9,36,370
Loan Received from Saumya Trade & Fiscal Services (P) Ltd.	–	1,00,00,000
Loan repayment to Saumya Trade & Fiscal Services (P) Ltd.	1,00,00,000	–
Interest paid to Saumya Trade & Fiscal Services (P) Ltd.	7,43,151	13,20,685
Loan Received from Shree Kumar Bangur	85,00,000	6,40,00,000
Loan repayment to Shree Kumar Bangur	7,25,00,000	–
Interest paid to Shree Kumar Bangur	51,27,950	40,34,247
Loan Received from Virendraa Bangur	40,00,000	2,80,00,000
Loan repayment to Virendraa Bangur	3,20,00,000	–
Interest paid to Virendraa Bangur	22,55,782	25,26,076
Remuneration paid to Virendraa Bangur	55,11,000	54,90,452
Remuneration paid to P.N. Ojha	21,46,839	26,99,239
Remuneration paid to Bharati Bangur	7,00,625	6,69,618
Professional fees paid to Smt. Shashi Devi Bangur	20,000	60,000
Remuneration paid to P K Gupta	13,84,269	12,75,044
Remuneration paid to R K Gupta	–	4,33,440
Remuneration paid to S K Lahoti	11,53,632	–

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## Notes to the Financial Statements

(Amount in ₹)

Nature of Transactions	2015-16	2014-15
<b>C) Details of Outstanding Payment to related party</b>		
The West Coast Paper Mills Ltd.	–	2,71,971
East Coast Powers Limited	(35,29,842)	(29,73,797)
Shree Kumar Bangur	–	6,76,30,820
Virendraa Bangur	–	3,02,73,469
Veer Enterprises Ltd	1,27,776	3,89,50,824
The Diamond Company Ltd.	–	2,09,46,332
Shree Satyanarayan Investments Co. Ltd.	–	3,84,29,849
Orbit Udyog Pvt. Ltd	–	1,85,75,870
Akhivi Tea Plantations & Agro Ind. Ltd.	–	1,85,56,756
Gold Mohore Investments Co. Ltd.	–	96,81,257
The Indra Company Ltd.	–	83,42,733
Saumya Trade & Fiscal Services (P) Ltd.	–	1,11,88,617
B.N. Kapur Pvt. Ltd	–	20,00,000
Crossley & Towers Pvt..Ltd.	–	1,00,00,000
Sri Girija Prasanna Cotton Mills Ltd.	–	1,52,00,000

### 2.31 DISCLOSURE AS PER AS-15" EMPLOYEES BENEFITS"

The following table summarises net benefit expenses recognized in the statement of profit and loss and funded status and amounts recognised in the Balance Sheet for Gratuity and Leave Encashment Liability on Retirement :

	31st March, 2016		31st March, 2015	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Profit and Loss account</b>				
<b>Net employees benefit expenses (recognised in employee cost)</b>				
Current Service cost	2,99,074	3,09,976	24,62,238	21,71,401
Interest cost on benefit obligation	11,02,169	2,83,931	29,26,470	4,21,506
Expected return on plan assets	17,57,467	–	(22,76,672)	–
Net actuarial loss/(gain) recognised in the year	(1,94,675)	(4,78,620)	65,32,188	(8,27,479)
Past Service Cost Liability	–	–	–	–
<b>Net Benefit Expenses</b>	<b>29,64,035</b>	<b>1,15,287</b>	<b>96,44,224</b>	<b>17,65,428</b>
<b>Balance Sheet</b>				
Defined benefit obligation	14,49,100	10,55,494	3,97,21,250	61,58,064
Fair value of plan assets	20,00,000	–	(2,19,68,346)	–
<b>Net Liability recognised in Balance Sheet</b>	<b>34,49,100</b>	<b>10,55,494</b>	<b>1,77,52,904</b>	<b>61,58,064</b>
<b>Change in present value of the defined benefit obligation are as follows :</b>				
<b>Statement of Profit and Loss:</b>				
Defined benefit obligation as at April 1st, 2015	3,97,21,250	61,58,064	4,13,77,546	61,45,026
Interest Cost	11,02,169	2,83,931	29,26,470	4,21,506
Current service Cost	2,99,074	3,09,976	24,62,238	21,71,401
Benefit paid	(3,41,35,383)	(52,17,857)	(95,93,350)	(17,52,390)
Actuarial loss/(gain) on obligation	(55,38,010)	(4,78,620)	25,48,346	(8,27,479)

## Notes to the Financial Statements

(Amount in ₹)

	31st March, 2016		31st March, 2015	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Defined benefit obligation as at March 31st, 2016</b>	14,49,100	10,55,494	3,97,21,250	61,58,064
<b>Change in present value of the fair value of plan assets are as follows :</b>				
Fair value of plan assets as at April 1, 2015	2,19,68,346	–	2,84,58,404	–
Expected return	17,57,467	–	22,76,672	–
Contribution by the employer	1,77,52,904	–	48,10,462	–
Benefit paid	(3,41,35,383)	–	(95,93,350)	–
Actuarial (loss)/gain	(53,43,335)	–	(39,83,842)	–
<b>Fair value of plan assets as at March 31st, 2016</b>	20,00,000	–	2,19,68,346	–
<b>The major Categories of Plan assets as a percentage of fair value of total plan assets are as follows :</b>				
Investment in Government bonds and securities and Special Deposit	0.00%		40.68%	
Investment in Mutual Funds	0.00%		57.14%	
Bank Balance	100.00%		2.18%	
	100.00%		100.00%	
<b>The Principal assumption used in determining gratuity benefit obligation for the Company's plan are below :</b>				
Discount rate	8.00%		8.00%	
Expected rate of return on assets	8.00%		8.00%	
Increase in compensation cost	5.00%		5.00%	

The estimates of future salary increase, considered in actuarial valuation, take into account of inflation, seniority, promotion and relevant factor, such as demand supply in the employment market.

- 2.32** As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The average net profit of the Company made during the three immediately financial years, as calculated under the provision of section 198 of the Companies Act, 2013, is negative, therefore no amount has been earmarked for the purpose of Corporate Social Responsibilities.
- 2.33** The Board has approved in their meeting held on 8th September, 2014 sale of the Company's Chloro Alkali Manufacturing Facility at Ganjam in Odisha and Salt Manufacturing Facility at Pundi in Andhra Pradesh "on as is where is basis" on a slump sale basis as a going concern to Aditya Birla Chemical (India) Ltd (ABCIL) at a lump sum consideration of ₹ 212 Crores. The Company has finally handed over its Chloro Alkali Manufacturing Facility at Ganjam, Orissa and Salt Manufacturing Facility at Pundi in Andhra Pradesh to ABCIL on 21st September, 2015.
- 2.34** Basis of calculation of Basic and Diluted Earnings Per Share is as under :

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
Profit after Tax (₹)	19,49,79,574	(28,50,26,029)
Weighted average number of Equity Shares	2,93,26,457	2,93,26,457
Basic and Diluted Earnings Per Share (₹)	6.65	(9.72)
Nominal Value of Share (Par Value) (₹)	10	10

## Notes to the Financial Statements

- 2.35** Current years figures are not comparable as the Company has sold Chloro Alkali Manufacturing Facility at Ganjam, along with Salt Fields on slump sale basis on "as is where is basis" on 21/09/2015 to Aditya Birla Chemicals (india) Limited.
- 2.36** Figures in bracket represent amount related to previous year.
- 2.37** Previous year's figures have been rearranged / regrouped wherever necessary.

Signatures to Note Nos. 1 and 2.

In terms of our report of even date attached herewith

For **K. N. GUTGUTIA & CO.**

*Chartered Accountants*

Firm Registration No. 304153E

**CA Subhasish Pore**

*Partner*

Membership No. 055862

6C, Middleton Street, Kolkata

Dated : 30th May, 2016

**Prabhu Nath Ojha**

*Executive Director*

(DIN : 00592544)

**Prabir Chakravarti**

*Director*

(DIN: 00273523)

**Virendraa Bangur**

*Managing Director*

(DIN : 00237043)

**S. K. Lahoti**

*Company Secretary*

**P. K. Gupta**

*Chief Financial Officer*

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# CONSOLIDATED ACCOUNTS

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# **Independent** Auditors' Report

To the Members of

**JAYSHREE CHEMICALS LIMITED**

## **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of JAYSHREE CHEMICALS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

## **Management's Responsibility for the Consolidated Financial Statements**

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

## **Auditor's Responsibility**

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2016, and their consolidated Profit and their consolidated cash flows for the year ended on that date.

## Independent Auditors' Report (Contd.)

### Other Matters

We did not audit the financial statements / financial information of subsidiary, whose financial statements / financial information reflect total assets (net of liabilities) of ₹ 56,15,691/- as at 31st March, 2016, total revenues of ₹ 47,512/- and net cash flows amounting to ₹ (30,443/-) for the year ended on that date, as considered in the consolidated financial statements.

These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and(11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

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

### Report on Other Legal and Regulatory Requirements

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company none of the directors of the Group is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, Refer Note 2.26(a)(i) to the consolidated financial statements.
  - ii. The Group, did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company.

Date : 30th May, 2016

Place : Kolkata

For **K. N. Gutgutia & Co.**  
Chartered Accountants  
Firm Registration No.304153E

**CA. Subhasish Pore**  
Partner  
Membership No. 055862

# Consolidated Balance Sheet as at 31st March, 2016

(Amount in ₹)

Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2.1	29,32,64,570	29,32,64,570
(b) Reserves and Surplus	2.2	(3,62,33,779)	(23,08,11,262)
		<b>25,70,30,791</b>	<b>6,24,53,308</b>
<b>(2) Minority Interest</b>		4,31,976	4,65,494
<b>(3) Non-current Liabilities</b>			
(a) Long-term Borrowings	2.3	–	34,40,63,680
(b) Deferred Tax Liabilities (Net)	2.4	–	–
(c) Long-term Provisions	2.5	10,04,865	48,96,590
		<b>10,04,865</b>	<b>34,89,60,270</b>
<b>(4) Current Liabilities</b>			
(a) Short-term Borrowings	2.6	–	81,88,32,347
(b) Trade Payables	2.7	4,89,221	14,02,50,268
(c) Other Current Liabilities	2.8	13,97,40,674	45,55,35,240
(d) Short-term Provisions	2.9	50,629	12,61,474
		<b>14,02,80,524</b>	<b>1,41,58,79,329</b>
<b>TOTAL (1+2+3+4)</b>		<b>39,87,48,156</b>	<b>1,82,77,58,401</b>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible Assets	2.10	4,82,65,729	1,44,16,95,872
(ii) Intangible Assets		–	3,24,748
(iii) Capital Work-in-Progress		–	52,06,197
		<b>4,82,65,729</b>	<b>1,44,72,26,817</b>
<b>(b) Long-term Loans and Advances</b>	2.11	10,92,119	10,71,98,066
<b>(c) Other Non-Current Assets</b>	2.12	83,91,713	83,28,836
		<b>5,77,49,561</b>	<b>1,56,27,53,719</b>
<b>(2) Current Assets</b>			
(a) Current Investments		97,382	–
(b) Inventories	2.13	–	5,39,09,893
(c) Trade Receivables	2.14	62,70,543	14,85,12,507
(d) Cash and Bank Balances	2.15	23,65,38,356	2,73,77,409
(e) Short-term Loans and Advances	2.16	9,65,67,501	2,61,66,438
(f) Other Current Assets	2.17	15,24,813	90,38,435
		<b>34,09,98,595</b>	<b>26,50,04,682</b>
<b>TOTAL (1+2)</b>		<b>39,87,48,156</b>	<b>1,82,77,58,401</b>

## Significant Accounting Policies & Notes on Accounts

1 & 2

Notes Nos. 1 & 2 forming part of the Balance Sheet

In terms of our report of even date attached herewith

For **K. N. GUTGUTIA & CO.**

Chartered Accountants

Firm Registration No. 304153E

**CA Subhasish Pore**

Partner

Membership No. 055862

6C, Middleton Street, Kolkata

Dated : 30th May, 2016

**Prabhu Nath Ojha**

Executive Director

(DIN : 00592544)

**Prabir Chakravarti**

Director

(DIN: 00273523)

**Virendraa Bangur**

Managing Director

(DIN : 00237043)

**S. K. Lahoti**

Company Secretary

**P. K. Gupta**

Chief Financial Officer

# Consolidated Statement of Profit & Loss for the year ended 31st March, 2016

(Amount in ₹)

Particulars	Note No.	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>I. REVENUE FROM OPERATIONS</b>			
<b>Sales (Gross)</b>		59,21,11,528	1,34,28,45,478
Less : Excise Duty		6,25,30,046	14,64,63,718
<b>Sales (Net)</b>		<b>52,95,81,482</b>	<b>1,19,63,81,760</b>
Other Operating Revenues		20,54,355	64,66,875
		<b>53,16,35,837</b>	<b>1,20,28,48,635</b>
II. Other income	2.18	1,96,08,204	1,61,85,162
<b>III. Total Revenue (I + II)</b>		<b>55,12,44,041</b>	<b>1,21,90,33,797</b>
<b>IV. EXPENSES</b>			
Cost of Materials Consumed	2.19	13,43,92,686	30,76,26,969
Power and Fuel Expenses		29,74,56,512	65,66,10,592
Changes in Inventories of Finished Goods and Work-in-Progress	2.20	23,94,733	(1,06,47,983)
Employee Benefits Expense	2.21	6,35,31,662	12,28,95,927
Finance Costs	2.22	19,93,33,643	22,35,66,084
Depreciation and Amortization Expense	2.10	4,22,82,357	8,55,44,777
Other Expenses	2.23	16,79,06,907	13,13,76,746
<b>Total Expenses</b>		<b>90,72,98,500</b>	<b>1,51,69,73,112</b>
<b>V. Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b>		<b>(35,60,54,459)</b>	<b>(29,79,39,315)</b>
<b>VI. Exceptional Items</b>		(55,10,48,837)	(1,48,33,755)
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>19,49,94,378</b>	<b>(28,31,05,560)</b>
<b>VIII. Extraordinary Items</b>		-	-
<b>IX. Profit before Tax (VII-VIII)</b>		<b>19,49,94,378</b>	<b>(28,31,05,560)</b>
<b>X. Tax expense :</b>			
(1) Current Tax		-	-
(2) Deferred Tax (Net)		-	-
(3) MAT Credit Entitlement		-	-
(4) Income Tax/FBT provision/payment for earlier year		4,50,413	23,10,696
		<b>4,50,413</b>	<b>23,10,696</b>
<b>XI. Profit after Tax (IX-X)</b>		<b>19,45,43,965</b>	<b>(28,54,16,256)</b>
<b>XII. Minority Interest</b>		<b>(33,518)</b>	<b>(30,008)</b>
<b>XIII. Profit/(Loss) for the period from continuing Operations (XI-XII)</b>		<b>19,45,77,483</b>	<b>(28,53,86,248)</b>
<b>XIV. Earnings per Equity Share :</b>	2.31		
Equity Share of par value ₹ 10/- each			
(1) Basic		6.63	(9.73)
(2) Diluted		6.63	(9.73)

## Significant Accounting Policies & Notes on Accounts

1 & 2

Notes Nos. 1 & 2 forming part of the Statement of Profit and Loss

In terms of our report of even date attached herewith

For **K. N. GUTGUTIA & CO.**

Chartered Accountants

Firm Registration No. 304153E

**CA Subhasish Pore**

Partner

Membership No. 055862

6C, Middleton Street, Kolkata

Dated : 30th May, 2016

**Prabhu Nath Ojha**

Executive Director

(DIN : 00592544)

**Prabir Chakravarti**

Director

(DIN : 00273523)

**Virendraa Bangur**

Managing Director

(DIN : 00237043)

**S. K. Lahoti**

Company Secretary

**P. K. Gupta**

Chief Financial Officer

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## Consolidated Cash Flow Statement for the year ended 31st March, 2016

(Amount in ₹)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extra-ordinary Items	19,49,94,378	(28,31,05,560)
Adjustments for:		
-Depreciation	4,22,82,357	8,55,44,777
-Net Profit/(Loss) on sale of fixed/discarded assets	(36,379)	39,98,691
-Bad Debts Written Off	20,90,982	70,51,173
-Obsolete Inventory Written Off	7,29,604	8,32,157
-Sundry Balances Written Off	34,21,857	62,825
-Interest Expenses	19,84,78,165	22,31,33,598
-Dividend Income	(3,91,37,468)	-
-Liabilities no longer required written back	(26,39,416)	(17,02,701)
-Net (Gain)/Loss on sale of Current Investment	3,56,43,594	-
-Interest Income	(1,28,27,066)	(1,01,78,123)
<b>Operating Profit Before Working Capital Changes</b>	<b>42,30,00,608</b>	<b>2,56,36,837</b>
Adjustments for:		
-Trade Payables	(46,13,78,489)	14,76,25,856
-Trade and other Receivables	17,74,84,451	2,84,52,735
-Inventories	5,31,80,289	(64,49,781)
<b>Cash Generated from Operations :</b>	<b>19,22,86,859</b>	<b>19,52,65,647</b>
-Direct Taxes Paid	(20,78,998)	(7,04,825)
<b>Net Cash generated from Operating Activities</b>	<b>19,02,07,861</b>	<b>19,45,60,822</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Net)	(6,08,070)	(1,84,11,997)
Sale of Fixed/Discarded Assets	1,35,73,23,180	-
Purchase of Current Investment(Net)	(3,57,40,976)	-
Interest Received	2,03,40,688	1,04,14,638
Dividend Income	3,91,37,468	-
Miscellaneous Expenses	(62,877)	(2,76,517)
<b>Net Cash used in Investing Activities</b>	<b>1,38,03,89,413</b>	<b>(82,73,876)</b>

## Consolidated Cash Flow Statement for the year ended 31st March, 2016

(Amount in ₹)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Short Term Borrowings	(81,88,32,346)	20,43,96,521
Repayment of Long Term Borrowings	(34,40,63,680)	(16,92,28,925)
Unclaimed Dividend Paid	(62,136)	-
Interest Paid	(19,84,78,165)	(22,31,33,598)
<b>Net Cash generated/(used) in Financing Activities</b>	<b>(1,36,14,36,327)</b>	<b>(18,79,66,002)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)</b>	<b>20,91,60,947</b>	<b>(16,79,056)</b>
Opening Cash and Cash Equivalents	2,73,77,409	2,90,56,465
Closing Cash and Cash Equivalents	<b>23,65,38,356</b>	<b>2,73,77,409</b>

### Note :

- 1) The Company has sold its Chloro Alkali Manufacturing Facility at Ganjam, Odisha and Salt Field at Pundi, Andhra Pradesh to Aditya Birla Chemicals (India) Ltd at the consideration of INR 212.00 crores on slump sale basis on 21st September, 2015.
- 2) Out of the total consideration of INR 212.00 crores, INR 13.00 crores still lying in the Escrow Accounts maintained with a schedule bank due to some pending matter with Odisha State Government.
- 3) Figures of the Current Financial Year is not comparable with the Previous Financial Year as the operation of the Chloro Alkali Manufacturing Facility at Ganjam, Odisha and Salt Field at Pundi, Andhra Pradesh has been sold to Aditya Birla Chemicals (India) Ltd on slump sale basis on 21st September, 2015.

In terms of our report of even date attached herewith  
For **K. N. GUTGUTIA & CO.**

Chartered Accountants  
Firm Registration No. 304153E

**CA Subhasish Pore**  
Partner

Membership No. 055862  
6C, Middleton Street, Kolkata  
Dated : 30th May, 2016

**Prabhu Nath Ojha**  
Executive Director  
(DIN : 00592544)

**Prabir Chakravarti**  
Director  
(DIN: 00273523)

**Virendraa Bangur**  
Managing Director  
(DIN : 00237043)

**S. K. Lahoti**  
Company Secretary

**P. K. Gupta**  
Chief Financial Officer

# Consolidated Accounting Policies & Notes on Accounts for the year ended 31st March, 2016

(Forming an integral part of the Consolidated Balance Sheet and Consolidated Statement of Profit & Loss)

## Note No. 1

### A) SIGNIFICANT ACCOUNTING POLICIES :

#### 1) Accounting Concept :

The financial statements have been prepared under the historical cost convention on the accrual basis in accordance with the generally accepted accounting principles, Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules 2014 and relevant provisions thereof.

#### 2) Use of Estimates :

The preparation of financial statements requires to make estimates and assumption that affect the reported amount of assets and liabilities and disclosure relating to contingent liabilities and assets as at the Balance Sheet date and reported amount of income and expenses during the year.

Contingencies are recorded when probable that liability will be incurred and the amount can reasonably be estimated.

Difference between the actual result and the estimates are recognised in the year the result are known /materialised.

#### 3) Fixed Assets :

Fixed Assets are stated at cost excluding excise duty and education cess thereon. In respect of major projects involving construction, erection etc. related pre-operational expenses (net of revenue) form part of the value of the assets capitalised. Fixed assets retired from active use and held for disposal are valued at lower of their written down value or net realizable value.

#### 4) Depreciation :

Depreciation on fixed assets is calculated in a manner that it depreciates / amortises the depreciable values of fixed assets over their estimated useful lives. The depreciable amount of an asset is the cost of an asset or other amount substituted for cost, less its residual value.

#### 5) Investment :

Long term investments are valued at cost. Decline in the value of investment, other than temporary in nature, are provided/ charged to the Statement of Profit & Loss.

#### 6) Inventories :

Inventories are valued at cost or net realisable value, whichever is lower. Cost comprises, for finished goods, cost of purchase and production overheads.

Work-in-progress is valued at material cost. All other inventories are valued as per weighted average method.

#### 7) Excise Duty :

Excise duty inclusive of Education Cess is accounted for at the point of manufacture of goods and accordingly is considered for valuation of finished goods stock lying in the factory as on the Balance Sheet date.

#### 8) Retirement Benefits :

(i) The Company has constituted a separate Gratuity Trust Fund. Yearly contribution towards accrued liability on account of gratuity payable to employees is provided in the accounts on the basis of actuarial valuation and is paid to the Trust from time to time.

(ii) Leave liability in respect of employees is accounted for on actuarial valuation basis.

#### 9) Taxation :

Current income tax is estimated at the amount estimated to be paid under the Income Tax Act, 1961 and is charged to Statement of Profit & Loss for the year.

## **Consolidated Accounting Policies & Notes on Accounts** for the year ended 31st March, 2016

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date.

Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realised in future. Deferred tax assets are recognized on unabsorbed losses only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits.

### **10) Sales :**

Sales are inclusive of Excise Duty and Education Cess and exclusive of Sales Tax and net of brokerage & commission.

### **11) Recognition of Income & Expenditure :**

All items of Income & Expenditure are accounted for on accrual basis, unless otherwise stated.

### **12) Foreign Currency Transactions :**

Foreign currency transactions and Forward Contracts are accounted for at the prevailing exchange rate on the date of transactions.

Foreign currency monetary assets and liabilities and unsettled forward contracts are translated on the basis of closing exchange rate.

Foreign currency non-monetary assets and liabilities are carried as per the exchange rate on the date of transaction.

Exchange differences arising on settlement/conversion of monetary assets and liabilities are recognized as income or expenses in the year in which they arise.

The premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense for the period.

### **13) Borrowing Costs :**

Borrowing costs relating to (i) funds borrowed for acquisition of Fixed Assets are capitalised and (ii) funds borrowed for other purpose are charged to Statement of Profit & Loss.

### **14) Impairment of Assets :**

Impairment is recognised to the extent that the recoverable amount of an asset is less than its carrying amount and the difference is charged to Statement of Profit & Loss as prescribed by the ICAI in Accounting Standard 28 - Impairment of Assets.

### **15) Segment Reporting :**

The Company has identified that its business segments are the primary segments. The Company identifies the business segments on the basis of products, risks and returns and internal reporting system.

The geographical segment identification is based on the location of customers of the Company.

The Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. Common cost, if any, is allocable on reasonable basis. The revenues, expenses, assets and liabilities which are not allocable are shown as "Unallocated".

# Notes to the Consolidated Financial Statements

(Amount in ₹)

2 NOTES ON ACCOUNTS		
Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.1 SHARE CAPITAL</b>		
<b>Authorised Capital</b>		
Equity Share of ₹ 10/- par value		
4,00,00,000 (4,00,00,000) Equity Shares	<b>40,00,00,000</b>	40,00,00,000
<b>Issued, Subscribed and paid-up Capital</b>		
Equity Share of ₹ 10/- par value		
2,93,26,457 (2,93,26,457) Equity Shares of ₹ 10/- each fully paid in cash	<b>29,32,64,570</b>	29,32,64,570

## NOTES :

- The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of shares held by the shareholders.
- Details of Share holders holding more than 5% of total shares as on 31st March, 2016

Name of Shareholder	No. of Shares	% to Total Shares
Shree Satyanarayan Investments Co. Ltd.	22,11,248	7.540
The Thirumbadi Rubber Co. Ltd.	18,37,000	6.264
Veer Enterprises Limited	31,41,958	10.714

- The reconciliation of the number of shares outstanding as at 31st March, 2016 is as below :

Particulars	As at 31st March 2016	As at 31st March 2015
Number of shares at the beginning	2,93,26,457	2,93,26,457
Number of shares at the closing	<b>2,93,26,457</b>	<b>2,93,26,457</b>

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.2 RESERVE &amp; SURPLUS</b>		
<b>Capital Redemption Reserve</b>		
As per last Account	30,00,000	30,00,000
<b>Capital Reserve</b>		
As per last Account	2,67,234	2,67,234
<b>Share Premium</b>		
As per last Account	12,10,13,227	12,10,13,227
<b>Investment Allowance Utilised reserve</b>		
As per last Account	8,12,000	8,12,000
<b>General Reserve</b>		
As per last Account	24,42,936	24,42,936
<b>Surplus</b>		
Opening Balance	(35,83,46,659)	(7,29,60,411)
Add : Net profit after tax transferred from Statement of Profit and Loss	19,45,77,483	(28,53,86,248)
	<b>(16,37,69,176)</b>	<b>(35,83,46,659)</b>
<b>TOTAL (2.2)</b>	<b>(3,62,33,779)</b>	<b>(23,08,11,262)</b>

## Notes to the Consolidated Financial Statements

(Amount in ₹)

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.3 LONG TERM BORROWINGS</b>		
<b>1. Term Loans-Secured</b>		
a. From Banks	–	29,90,00,307
b. From Govt. of Odisha	–	–
	–	<b>29,90,00,307</b>
<b>2. Deferred Payment Liabilities</b>	–	4,50,63,373
<b>TOTAL (2.3)</b>	–	<b>34,40,63,680</b>

The Company acquired vehicles under Hire Purchase Scheme, Minimum Lease payment outstanding as at 31st March 2016 in respect of these assets are as under :

Due	Total Minimum Lease Outstanding as on 31st March, 2016	Interest not due	Present Value minimum lease Payments
Within one year	–	–	–
Last Year	8,13,744	1,07,970	7,05,774
Later than one year and not later than five years	–	–	–
Last year	7,54,584	75,072	6,79,512
Total : Current Year	–	–	–
Total : Last Year	15,68,328	1,83,042	13,85,286

<b>2.4 DEFERRED TAX LIABILITIES (NET)</b>	–	–
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The company has not recognised the deferred tax (net) assets as there is no reasonable and virtual certainty that these would be realised in immediate future.

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.5 LONG TERM PROVISIONS</b>		
<b>Provision for Employees Benefit</b>		
Leave Liability	10,04,865	48,96,590
<b>Total (2.5)</b>	<b>10,04,865</b>	<b>48,96,590</b>

<b>2.6 SHORT TERM BORROWINGS</b>		
a) <b>Loan Repayable on demand (Secured)</b>		
From Banks :		
- Cash Credit A/c	–	14,85,44,581
b) <b>Loan Repayable on demand (Unsecured)</b>		
From Bodies Corporate	–	39,93,87,766
c) <b>Loan from Related Parties</b>	–	27,09,00,000
<b>Total (2.6)</b>	–	<b>81,88,32,347</b>

<b>2.7 TRADE PAYABLE</b>		
a) MSME	–	2,26,590
b) Others	4,89,221	14,00,23,678
<b>Total (2.7)</b>	<b>4,89,221</b>	<b>14,02,50,268</b>

**Note :** Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the Company : Principal amount Outstanding as at 31st March, 2016 Nil, (₹ 2,12,740/-)

# Notes to the Consolidated Financial Statements

(Amount in ₹)

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.8 OTHER CURRENT LIABILITIES</b>		
a. Current Maturities of Long-term Borrowings	0	24,50,30,184
b. Interest Accrued but not due on Borrowings	0	1,96,12,088
c. Interest Accrued and Due on Borrowings	0	1,06,95,009
d. Unpaid Dividends	1,47,599	2,09,735
e. Others Payable		
i. Amount Payable to Employees	5,70,054	47,57,835
ii. Income Tax and Other Dues Payables to Govt Dept.	7,59,080	1,88,24,103
iii. Provision for Expenses	79,61,316	3,43,67,596
iv. Other Payables	3,02,625	1,40,55,783
v. Advance from Customers	13,00,00,000	8,87,10,738
vi. Security Deposit from Parties	0	15,19,265
vii. Provision for Gratuity	0	1,77,52,904
	<b>13,95,93,075</b>	<b>17,99,88,224</b>
<b>Total (2.8)</b>	<b>13,97,40,674</b>	<b>45,55,35,240</b>

2.9 SHORT TERM PROVISIONS		
<b>Provision for Employees Benefit</b>		
Leave Liability	50,629	12,61,474
<b>Total (2.9)</b>	<b>50,629</b>	<b>12,61,474</b>

## 2.10 CONSOLIDATED FIXED ASSETS

Particulars	Original Cost as on 01/04/2015	Addition during the year 2015-16	Sold or Adjustment During 2015-16	Total Cost as on 31/03/2016	Total Deprn. provided upto 01/04/2015	Deprn. for the year 2015-16	Sold or Adjustment during 2015-16	Total Deprn. upto 31/03/2016	W. D. V. as on 31/03/2016	W. D. V. as on 31/03/2015
<b>Tangible Assets</b>										
Land (Free hold)	33,74,249	-	17,63,249	16,11,000	-	-	-	-	16,11,000	33,74,249
Land (Lease hold)	9,24,899	-	9,24,899	-	1,68,321	17,491	1,85,812	-	-	7,56,578
Development of Site including Roads	1,14,62,457	-	1,14,62,457	-	64,81,454	12,85,788	77,67,242	-	-	49,81,003
Buildings	32,11,58,575	11,15,163	32,09,12,428	13,61,310	4,85,54,486	46,67,756	5,30,45,649	1,76,593	11,84,718	27,26,04,089
Plant & Machinery	1,19,89,57,258	46,84,931	1,14,01,23,437	6,35,18,752	25,34,01,175	2,15,49,150	25,46,51,966	2,02,98,359	4,32,20,393	94,55,56,083
Railway Siding	-	-	-	-	-	-	-	-	-	-
Water Supply & Tube Well	2,74,55,761	-	2,74,55,761	-	61,78,385	4,51,606	66,29,991	-	-	2,12,77,376
Furniture & Fittings	29,70,139	-	25,82,933	3,87,206	21,44,712	1,12,701	20,07,406	2,50,007	1,37,199	8,25,426
Office Equipments	50,50,295	14,173	37,42,611	13,21,857	46,81,357	55,731	34,77,506	12,59,582	62,276	3,68,939
Electrical Installation	21,28,29,865	-	21,05,78,563	22,51,302	5,90,46,614	1,13,56,176	6,86,34,015	17,68,775	4,82,527	15,37,83,251
Motor Car & Vehicles	74,47,437	-	32,11,131	42,36,306	45,69,647	4,54,398	23,55,355	26,68,690	15,67,616	28,77,790
Laboratory Equipments	65,55,676	-	65,55,676	-	28,39,520	2,53,297	30,92,817	-	-	37,16,156
Handling Equipments	6,80,32,314	-	6,80,32,314	-	3,64,57,382	19,64,388	3,84,21,770	-	-	3,15,74,932
	<b>1,86,62,18,925</b>	<b>58,14,267</b>	<b>1,79,73,45,459</b>	<b>7,46,87,733</b>	<b>42,45,23,053</b>	<b>4,21,68,483</b>	<b>44,02,69,529</b>	<b>2,64,22,006</b>	<b>4,82,65,729</b>	<b>1,44,16,95,872</b>
<b>Intangible Assets</b>										
Computer Software	9,96,033	-	9,96,033	-	6,71,286	1,13,874	7,85,160	-	-	3,24,748
	<b>1,86,72,14,958</b>	<b>58,14,267</b>	<b>1,79,83,41,492</b>	<b>7,46,87,733</b>	<b>42,51,94,339</b>	<b>4,22,82,357</b>	<b>44,10,54,689</b>	<b>2,64,22,006</b>	<b>4,82,65,729</b>	<b>1,44,20,20,620</b>
Previous Year Figure	1,85,53,05,221	2,40,94,742	1,21,84,735	1,86,72,14,958	34,78,35,607	8,55,44,777	81,86,046	42,51,94,338	1,44,20,20,620	

## Notes to the Consolidated Financial Statements

(Amount in ₹)

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.11 LONG TERM LOANS AND ADVANCES</b>		
(Unsecured considered good)		
a. Capital Advances	–	–
b. Security Deposit	10,92,119	10,49,84,416
c. Deposit With Sales Tax	–	22,13,650
<b>Total (2.11)</b>	<b>10,92,119</b>	<b>10,71,98,066</b>

<b>2.12 OTHER NON-CURRENT ASSETS</b>		
Others+Preliminary and Pre-operative Expenses	83,91,713	83,28,836
<b>Total (2.12)</b>	<b>83,91,713</b>	<b>83,28,836</b>

Particulars	Face Value (₹)	No. of units	As at 31.03.2016	As at 31.03.2015
<b>2.13 CURRENT INVESTMENTS</b>				
Investments in Mutual Fund - Short Term				
ICICI Prudential Flexible Income Plan - Growth	10	324.456	92,866	–
Kotak Treasury Advantage Fund - Regular Plan - Growth	10	187.028	4,516	–
<b>Total (2.13)</b>			<b>97,382</b>	<b>–</b>

Particulars	As at 31.03.2016	As at 31.03.2015
<b>2.14 INVENTORIES</b>		
a. Raw Materials	–	1,39,32,859
b. Work-in-Progress	–	22,72,587
c. Finished Goods	–	1,49,05,759
d. Stores and Spares	–	2,27,98,688
<b>Total (2.14)</b>	<b>–</b>	<b>5,39,09,893</b>

**Note :** Inventories are valued at cost or net realisable value, whichever is lower

<b>2.15 TRADE RECEIVABLE</b>		
(Unsecured considered good)		
a. More than 6 months from the due date	43,18,496	74,57,143
b. Others	19,52,047	14,10,55,364
<b>Total (2.15)</b>	<b>62,70,543</b>	<b>14,85,12,507</b>

**Note :** In the opinion of the management the amounts are good and realisable.

Consolidated Financials

Standalone Financials

Statutory Reports

## Notes to the Consolidated Financial Statements

(Amount in ₹)

	As at 31.03.2016	As at 31.03.2015
<b>2.16 CASH AND BANK BALANCES</b>		
<b>Cash and Cash equivalents</b>		
Balances with Banks :		
- In Current Account	4,96,09,628	38,15,209
Cheques, drafts on hand	3,53,802	–
Cash on Hand	70,127	17,78,449
	<b>5,00,33,557</b>	<b>55,93,658</b>
<b>b. Others</b>		
Unpaid Dividend A/c	1,47,599	2,09,735
Special Term Deposit/Margin Money with Banks	5,18,91,126	2,15,74,016
	<b>5,20,38,725</b>	<b>2,17,83,751</b>
<b>Total (2.16)</b>	<b>10,20,72,282</b>	<b>2,73,77,409</b>
<b>2.17 SHORT TERM LOANS &amp; ADVANCES</b>		
(Unsecured considered good)		
a Loan to Subsidiary	–	–
b Loan to Employees	4,21,500	8,98,742
c Other Recoverable Advances	7,96,86,231	1,07,33,755
d Balances With Excise and other Govt. Dept.	8,80,000	20,99,418
e Advance to Parties	54,94,562	19,30,935
f Prepaid Expenses	8,44,271	28,98,450
g Advance Income Tax(Net of Income Tax Provision)	92,40,937	76,05,138
<b>Total (2.17)</b>	<b>9,65,67,501</b>	<b>2,61,66,438</b>
<b>2.18 OTHER CURRENT ASSETS</b>		
Interest accrued and due on Deposit	15,24,813	90,38,435
<b>Total (2.18)</b>	<b>15,24,813</b>	<b>90,38,435</b>

## Notes to the Consolidated Financial Statements

(Amount in ₹)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>Revenue From Operations</b>		
a. Sales (Gross)	59,21,11,528	1,34,28,45,478
b. Less: Excise Duty	6,25,30,046	14,64,63,718
c. Sales (Net)	52,95,81,482	1,19,63,81,760
d. Other operating revenues	20,54,355	64,66,875
	<b>53,16,35,837</b>	<b>1,20,28,48,635</b>
<b>2.19 OTHER INCOME</b>		
a. <b>Interest</b>		
From Bank	81,39,206	18,70,354
From Subsidiary	–	–
From Other	46,87,860	83,07,769
	<b>1,28,27,066</b>	<b>1,01,78,123</b>
b. <b>Other non-operating income</b>		
Liabilities no longer required written back	26,44,416	17,33,383
Net Profit on sale of fixed/discarded assets	36,379	–
Dividend Income	3,91,37,468	–
Net Gain/(Loss) on sale of Current Investment	(3,56,43,594)	–
Miscellaneous Receipts	6,06,469	42,73,656
<b>Total (2.19)</b>	<b>1,96,08,204</b>	<b>1,61,85,162</b>
<b>2.20 COST OF MATERIALS CONSUMED</b> (Including own production)		
a. Opening Stock of Raw Materials	1,09,44,493	85,73,996
b. Add : Raw Materials Purchased	13,35,69,047	30,99,97,466
	<b>14,45,13,540</b>	<b>31,85,71,462</b>
c. Less : Closing Stock of Raw Materials	1,01,20,854	1,09,44,493
<b>Total (2.20)</b>	<b>13,43,92,686</b>	<b>30,76,26,969</b>
<b>Note :</b>		
Cost of Materials Consumed Includes employee benefits expenses ₹ 17,36,938/- (₹ 32,22,841/-), Power & Fuel ₹ 5,08,093/- (₹ 9,49,148/-), Repairs & Maintenance ₹ 5,08,093/- (₹ 18,38,517/-), Insurance ₹ Nil/- (₹ 5,232/-) and Rates & Taxes ₹ 52,26,214/- (₹ 3,78,907/-)		
<b>2.21 CHANGES IN INVENTORIES</b>		
a. <b>Opening Inventories</b>		
1 Finished Goods	1,49,05,759	41,84,549
2 Work-in-Progress	22,72,587	23,45,814
	<b>1,71,78,346</b>	<b>65,30,363</b>
b. <b>Less : Closing Inventories</b>		
1. Finished Goods	1,29,01,694	1,49,05,759
2. Work-in-Progress	18,81,919	22,72,587
	<b>1,47,83,613</b>	<b>1,71,78,346</b>
<b>(Increase) / Decrease in Inventories Total (2.21)</b>	<b>23,94,733</b>	<b>(1,06,47,983)</b>

### Note :

Closing stock of Raw Material, Work in Progress & Finished Goods has not been shown in Balance Sheet due to sale of Company's Chloro Alkali Manufacturing Facility along with Salt Field "on as is where is basis" on slump sale basis to Aditaya Birla Chemicals (India) Ltd during the year under review.

(Amount in ₹)

## Notes to the Consolidated Financial Statements

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>2.22 EMPLOYEES BENEFIT EXPENSES</b>		
a. Salaries and Wages	4,70,89,723	9,68,99,216
b. Contribution to provident and other funds (Including Admn. Charges)	46,55,263	95,82,953
c. Staff Welfare Expenses	1,17,86,676	1,64,13,758
	<b>6,35,31,662</b>	<b>12,28,95,927</b>
<b>Note :</b>		
<b>i. Employees Benefit Expenses includes</b>		
- Provision for Gratuity	–	96,44,224
- Provision for Leave Encashment	1,15,287	17,65,428
	<b>1,15,287</b>	<b>1,14,09,652</b>
ii. Employees Benefit Expenses includes managerial remuneration ₹ 76,49,838/- (₹ 81,89,691/-)		
<b>2.23 FINANCE COST</b>		
a. Interest Expenses		
- Bank	6,38,17,350	8,44,41,545
- Others	12,04,25,962	9,82,47,475
	<b>18,42,43,312</b>	<b>18,26,89,020</b>
b. Other Borrowing Costs	1,50,90,331	4,08,77,064
<b>Total (2.23)</b>	<b>19,93,33,643</b>	<b>22,35,66,084</b>
<b>2.24 OTHER EXPENSES</b>		
Consumption of stores and spares part	45,94,991	1,16,88,451
Rent (Net)	14,23,280	13,71,644
Transportation Charges(Net)	1,60,53,984	1,70,42,983
Repairs & Maintenance	2,88,49,004	4,47,24,246
i) Buildings	15,92,800	43,96,585
ii) Plants & Machineries	1,97,15,143	2,32,04,191
iii) Others	75,41,061	1,71,23,470
Insurance	15,02,568	23,90,635
Rates and Taxes	8,53,04,102	68,40,412
Travelling & Vehicles Expenses	54,29,779	85,87,452
Legal Expenses	24,34,601	39,63,087
Loss on sale/discard of fixed assets	–	39,98,691
Bad Debts Written Off	20,90,982	70,51,173
Obsolete Inventory Written Off	7,29,604	8,32,157
Sundry Balances Written Off	34,21,857	62,825
Expenses related to previous year	618	–
Difference of excise duty on opening/closing of finished goods stocks	(7,80,814)	10,49,938
Director's Sitting Fees	2,05,000	1,95,000
Payments to the Auditor	4,88,054	4,35,131
CSR Expenses	7,18,402	11,86,387
Miscellaneous Expenses	1,54,40,895	1,99,56,534
<b>Total (2.24)</b>	<b>16,79,06,907</b>	<b>13,13,76,746</b>

# Notes to the Consolidated Financial Statements

(Amount in ₹)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>Notes :</b>		
1. <b>Rent (Net)</b>		
- Rent Paid	14,40,320	14,60,724
- Rent Received	(17,040)	(89,080)
	<b>14,23,280</b>	<b>13,71,644</b>
2. <b>Transportation Charges (Net)</b>		
- Paid	8,11,98,159	16,60,31,060
- Realised	(6,51,44,175)	(14,89,88,077)
	<b>1,60,53,984</b>	<b>1,70,42,983</b>
3. <b>Repairs &amp; Maintenance includes consumption of Stores and Spares Parts ₹ 54,19,822/- (₹ 1,64,76,931/- )</b>		
4. <b>Payments to the Auditor</b>		
a. Auditors' Remuneration	1,48,850	1,30,618
b. For Taxation Matters	57,250	50,000
c. For Other Services	2,50,829	1,58,125
d. For Re-imbursement of Expenses	30,725	66,388
e. Payment to Cost Auditor	-	30,000
	<b>4,87,654</b>	<b>4,35,131</b>
5. CSR Expenses includes Donation of ₹ 4,00,000/- (₹ 4,00,000/-)		

## 2.25 PRINCIPLES OF CONSOLIDATION

- Consolidated Financial Statements relate to Jayshree Chemicals Limited(The Company) and its subsidiary -East Coast Powers Limited (The Subsidiary).
- The Financial Statement of the Company and its Subsidiary have been prepared on a line by line consolidation by adding the book values of the like items of assets, liabilities, income and expenses as per the respective audited financial statements of the respective Companies.

The accounts of the Subsidiary have been audited by the auditors qualified to conduct audit.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the manner the Company's individual financial statements.

Minority Interest consists of the amount of equity attributable to the minority shareholders at the date on which investments have been made by the Company in the Subsidiary Company and further movements in their share in equity subsequent to the date of investments.

Intra Group balances, intra group transactions and resulting unrealized profits have been eliminated.

## 2.26 CONTINGENT LIABILITIES AND COMMITMENTS

### a. Contingent Liabilities

- Claims against the Company not Acknowledge as Debt. (net of deposit)

- Sales Tax Demand under Appeals

- Others

- Guarantees

### b. Commitments

- Outstanding Estimated Capital Commitment (Net of Advances)

- Other commitment

	65,05,111	82,51,465
	4,06,044	5,95,92,288
	<b>69,11,155</b>	<b>6,78,43,753</b>
	4,36,54,277	4,31,31,109
	<b>5,05,65,432</b>	<b>11,09,74,862</b>
	-	<b>20,46,600</b>
	-	-

## Notes to the Consolidated Financial Statements

(Amount in ₹)

### Derivative Instruments :

- i. The Company uses foreign currency forward contracts to hedge risk associated with foreign currency fluctuations. The Company does not use forward contracts for speculative purposes.

Outstanding Forward Contracts entered into by the Company on account of payables :

### Loan Payable

As at	No. of Contracts	US Dollar	INR Equivalent
31.03.2016	–	–	–
31.03.2015	2	37,41,000	22,48,39,327

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>2.27 DISCLOSURES</b>		
<b>a. Consumption of Raw materials</b>		
Salt	12,00,04,888	27,32,79,123
Barium Carbonate	1,30,54,833	3,08,69,851
Soda Ash	10,89,955	30,84,057
Sodium Bisulphite	2,43,010	3,93,938
<b>Total</b>	<b>13,43,92,686</b>	<b>30,76,26,969</b>
<b>b. Value of goods sold</b>		
<b>Chemicals</b>		
Caustic Soda	58,21,26,138	1,35,67,54,473
Liquid Chlorine	(1,65,11,017)	(6,59,82,430)
Hydrochloric Acid	1,33,34,874	2,77,83,704
Sodium Hypochlorite	70,26,488	1,67,60,994
	58,59,76,483	1,33,53,16,741
Wind Power	61,35,045	75,28,737
<b>Total</b>	<b>59,21,11,528</b>	<b>1,34,28,45,478</b>
<b>c. Opening Stock</b>		
<b>Chemicals</b>		
Caustic Soda	1,44,66,706	36,75,234
Liquid Chlorine	1,05,429	2,63,993
Hydrochloric Acid	1,97,430	2,08,456
Sodium Hypochlorite	1,36,194	36,865
<b>Total</b>	<b>1,49,05,759</b>	<b>41,84,548</b>
<b>d. Closing Stock</b>		
<b>Chemicals</b>		
Caustic Soda	–	1,44,66,706
Liquid Chlorine	–	1,05,429
Hydrochloric Acid	–	1,97,430
Sodium Hypochlorite	–	1,36,194
<b>Total</b>	<b>–</b>	<b>1,49,05,759</b>

## Notes to the Consolidated Financial Statements

(Amount in ₹)

Particulars	Year Ended 31.03.2016		Year Ended 31.03.2015	
	%	₹	%	₹
<b>e Consumption of Raw materials, spares parts and component consumed</b>				
<b>Imported</b>				
Raw Materials	–	–	–	–
Spares Parts and Component	–	0	100.00	8,02,674
<b>Total imported consumption</b>	<b>0.00</b>	<b>0</b>	<b>100.00</b>	<b>8,02,674</b>
<b>Indigenous</b>				
Raw Materials	96.69	13,43,92,686	91.83	30,76,26,969
Spares Parts and Component	3.31	45,94,991	8.17	2,73,62,708
<b>Total indigenous consumption</b>	<b>100.00</b>	<b>13,89,87,677</b>	<b>100.00</b>	<b>33,49,89,677</b>
i) <b>Imported consumption</b>	0.00	0	0.24	8,02,674
ii) <b>Indigenous consumption</b>	100.00	13,89,87,677	99.76	33,49,89,677
<b>Total Consumption(i+ii)</b>	<b>100.00</b>	<b>13,89,87,677</b>	<b>100.00</b>	<b>33,57,92,351</b>

Cost of Materials Consumed Includes employee benefits expenses ₹ 17,36,938/- (₹ 32,22,841/-), Power & Fuel ₹ 5,08,093/- (₹ 9,49,148/-), Repairs & Maintenance ₹ 5,08,093/- (₹ 18,38,517/-), Insurance ₹ Nil/- (₹ 5,232/-) and Rates & Taxes ₹ 52,26,214/- (₹ 3,78,907/-).

### 2.28 VALUE OF IMPORTS CALCULATED ON C.I.F BASIS

I Raw materials	–	–
II Components and spare parts	–	3,43,395
III Capital goods	–	50,66,683

### 2.29 EXPENDITURE IN FOREIGN CURRENCY

a Other matters	–	–
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### 2.30 EARNINGS IN FOREIGN EXCHANGE

a Other income	–	–
Commission	<b>15,82,198</b>	<b>51,80,001</b>

### 2.31 SEGMENT REPORTING

The Company has no reportable business segment as per AS-17 "Segment Reporting" as it mainly deals into the business of chemicals only.

The Company caters mainly to the needs of domestic market. There is no export turnover during the year, as such there are no reportable Geographical segments.

# Notes to the Consolidated Financial Statements

(Amount in ₹)

## 2.32 RELATED PARTY DISCLOSURE

Name of the related party	Relationship
<b>A. Name of the related party with whom the Company has transactions during the year</b>	
East Coast Powers Limited	Subsidiary
The West Coast Paper Mills Ltd	Control of KMP
Shree Ram Trust	Control of KMP
Orbit Udyog Pvt. Ltd.	Control of KMP
B.N. Kapur Pvt Ltd	Control of KMP
The Thirumbadi Rubber Co. Ltd.	Control of KMP
Crossley & Towers Pvt.Ltd	Control of KMP
Shree Satyanarayan Investments Co. Ltd	Control of KMP
The Diamond Company Ltd	Control of KMP
Sri Girija Prasanna Cotton Mills Ltd .	Control of KMP
The Indra Company Ltd.	Control of KMP
Veer Enterprises Ltd.	Control of KMP
Akhivi Tea Plantations & Agro Ind. Ltd.	Control of KMP
Gold Mohore Investments Co. Ltd.	Control of KMP
Saumya Trade & Fiscal Services (P) Ltd.	Control of KMP
Shree Kumar Bangur	Chairman
Virendraa Bangur	Managing Director
P N Ojha	Executive Director
P K Gupta	Chief Financial Officer
S K Lahoti	Company Secretary
Shashi Devi Bangur	Relative of KMP
Bharati Bangur - Executive (Corporate Affairs)	Relative of KMP

Note : KMP means Key Managerial Personnel

Nature of Transactions	2015-16	2014-15
<b>B) Related Party Transactions are as follows :</b>		
Loan given to East Coast Powers Limited	1,75,757	17,00,000
Loan repayment from East Coast Powers Limited	–	16,00,000
Interest received from Subsidiary	4,22,542	4,32,486
Rent Received from The West Coast Paper Mills Ltd.	1,58,616	1,58,616
Sale of goods to The West Coast Paper Mills Ltd.	–	32,94,276
Rent & Service Charges paid - Veer Enterprises Ltd.	12,84,915	10,91,124
Donation paid - Shree Ram Trust, Kolkata	4,00,000	4,00,000
Loan received from The Diamond Co. Ltd.	1,50,00,000	37,00,000
Loan repayment to The Diamond Co. Ltd.	3,37,00,000	–
Interest paid to The Diamond Co. Ltd.	14,87,363	23,89,760
Loan received from Sri Girija Prasanna Cottons Mills Ltd.	–	–
Loan repayment to Sri Girija Prasanna Cottons Mills Ltd.	1,52,00,000	–
Interest paid to Sri Girija Prasanna Cotton Mills Ltd.	10,93,151	23,38,730
Loan received from Shree Satyanarayan Investment Co. Ltd.	1,65,00,000	3,18,00,000
Loan repayment to Shree Satyanarayan Investment Co. Ltd.	5,08,00,000	2,00,00,000
Interest paid to Shree Satyanarayan Investments Co. Ltd.	26,80,014	44,08,243

## Notes to the Consolidated Financial Statements

(Amount in ₹)

Nature of Transactions	2015-16	2014-15
Loan received from Crossley & Towers Pvt Ltd.	–	–
Loan repayment to Crossley & Towers Pvt Ltd.	1,00,00,000	–
Interest Paid to Crossley Towers Pvt Ltd.	7,19,178	16,14,657
Loan repayment to B.N.Kapur Pvt. Ltd.	20,00,000	–
Interest paid to B.N.Kapur Pvt. Ltd.	1,43,835	3,23,673
Loan Received from Veer Enterprises Ltd.	65,00,000	3,62,00,000
Loan repayment to Veer Enterprises Ltd.	4,27,00,000	2,00,00,000
Interest paid to Veer Enterprises Ltd.	27,57,514	28,90,857
Loan Received from Orbit Udyog Pvt Ltd	–	1,25,00,000
Loan repayment to Orbit Udyog Pvt Ltd.	1,75,00,000	–
Interest paid to Orbit Udyog Pvt Ltd.	13,00,514	11,78,425
Loan Received from Akhivi Tea Plantations & Agro Ind. Ltd.	1,00,00,000	1,85,00,000
Loan repayment to Akhivi Tea Plantations & Agro Ind. Ltd.	2,85,00,000	–
Interest paid to Akhivi Tea Plantations & Agro Ind. Ltd.	16,63,595	63,062
Loan Received from Gold Mohore Investments Co. Ltd.	10,00,000	90,00,000
Loan repayment to Gold Mohore Investments Co. Ltd.	1,00,00,000	–
Interest paid to Gold Mohore Investments Co. Ltd.	7,06,632	7,56,953
Loan Received from The Indra Company Ltd.	10,00,000	75,00,000
Loan repayment to The Indra Company Ltd.	85,00,000	–
Interest paid to The Indra Company Ltd.	5,95,159	9,36,370
Loan Received from Saumya Trade & Fiscal Services (P) Ltd.	–	1,00,00,000
Loan repayment to Saumya Trade & Fiscal Services (P) Ltd.	1,00,00,000	–
Interest paid to Saumya Trade & Fiscal Services (P) Ltd.	7,43,151	13,20,685
Loan Received from Shree Kumar Bangur	85,00,000	6,40,00,000
Loan repayment to Shree Kumar Bangur	7,25,00,000	–
Interest paid to Shree Kumar Bangur	51,27,950	40,34,247
Loan Received from Virendraa Bangur	40,00,000	2,80,00,000
Loan repayment to Virendraa Bangur	3,20,00,000	–
Interest paid to Virendraa Bangur	22,55,782	25,26,076
Remuneration paid to Virendraa Bangur	55,11,000	54,90,452
Remuneration paid to P.N. Ojha	21,46,839	26,99,239
Remuneration paid to Bharati Bangur	7,00,625	6,69,618
Professional fees paid to Smt. Shashi Devi Bangur	20,000	60,000
Remuneration paid to P K Gupta	13,84,269	12,75,044
Remuneration paid to R K Gupta	–	4,33,440
Remuneration paid to S K Lahoti	11,53,632	–
Loan given to Fort Gloster Electric Ltd.	2,85,00,000	–
Repayment of loan received from Fort Gloster Electric Ltd.	2,85,00,000	–
Interest received from Fort Gloster Electric Ltd.	8,30,138	–
Loan given to Bangur Exim Pvt Ltd.	50,000	–
Repayment of loan received from Bangur Exim Pvt Ltd.	50,000	–
Interest received from Bangur Exim Pvt Ltd.	459	–

Consolidated Financials

Standalone Financials

Statutory Reports

## Notes to the Consolidated Financial Statements

(Amount in ₹)

Nature of Transactions	2015-16	2014-15
<b>C) Details of outstanding payment to related party</b>		
The West Coast Paper Mills Ltd.	–	2,71,971
East Coast Powers Limited	(35,29,842)	(29,73,797)
Shree Kumar Bangur	–	6,76,30,820
Virendraa Bangur	–	3,02,73,469
Veer Enterprises Ltd.	1,27,776	3,89,50,824
The Diamond Company Ltd.	–	2,09,46,332
Shree Satyanarayan Investments Co. Ltd.	–	3,84,29,849
Orbit Udyog Pvt Ltd.	–	1,85,75,870
Akhivi Tea Plantations & Agro Ind. Ltd.	–	1,85,56,756
Gold Mohore Investments Co. Ltd.	–	96,81,257
The Indra Company Ltd.	–	83,42,733
Saumya Trade & Fiscal Services (P) Ltd.	–	1,11,88,617
B.N. Kapur Pvt.Ltd	–	20,00,000
Crossley & Towers Pvt. Ltd.	–	1,00,00,000
Sri Girija Prasanna Cotton Mills Ltd.	–	1,52,00,000
Fort Gloster Electric Ltd.	–	–
Bangur Exim Pvt Ltd.	–	–

### 2.33 Disclosure as per AS-15" Employees Benefits"

The following table summarises net benefit expenses recognized in the statement of profit and loss and funded status and amounts recognised in the balance sheet for Gratuity and Leave Encashment Liability on Retirement :

	31st March, 2016		31st March, 2015	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Profit and Loss account</b>				
<b>Net employees benefit expenses (recognised in employee cost)</b>				
Current Service cost	2,99,074	3,09,976	24,62,238	21,71,401
Interest cost on benefit obligation	11,02,169	2,83,931	29,26,470	4,21,506
Expected return on plan assets	<b>17,57,467</b>	–	<b>(22,76,672)</b>	–
Net actuarial loss/(gain) recognised in the year	(1,94,675)	(4,78,620)	65,32,188	(8,27,479)
Past Service Cost Liability	–	–	–	–
<b>Net benefit Expenses</b>	<b>29,64,035</b>	<b>1,15,287</b>	<b>96,44,224</b>	<b>17,65,428</b>
<b>Balance Sheet</b>				
Defined benefit obligation	14,49,100	10,55,494	3,97,21,250	61,58,064
Fair value of plan assets	20,00,000	–	(2,19,68,346)	–
<b>Net Liability recognised in balance sheet</b>	<b>34,49,100</b>	<b>10,55,494</b>	<b>1,77,52,904</b>	<b>61,58,064</b>

## Notes to the Consolidated Financial Statements

(Amount in ₹)

	31st March, 2016		31st March, 2015	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Change in present value of the defined benefit obligation are as follows :</b>				
<b>Statement of Profit and Loss :</b>				
Defined benefit obligation as at April 1st, 2015	3,97,21,250	61,58,064	4,13,77,546	61,45,026
Interest Cost	11,02,169	2,83,931	29,26,470	4,21,506
Current service Cost	2,99,074	3,09,976	24,62,238	21,71,401
Benefit paid	(3,41,35,383)	(52,17,857)	(95,93,350)	(17,52,390)
Actuarial loss/(gain) on obligation	(55,38,010)	(4,78,620)	25,48,346	(8,27,479)
<b>Defined benefit obligation as at March 31st, 2016</b>	<b>14,49,100</b>	<b>10,55,494</b>	<b>3,97,21,250</b>	<b>61,58,064</b>
<b>Change in present value of the fair value of plan assets are as follows :</b>				
Fair value of plan assets as at April 1st, 2015	2,19,68,346	–	2,84,58,404	–
Expected return	17,57,467	–	22,76,672	–
Contribution by the employer	1,77,52,904	–	48,10,462	–
Benefit paid	(3,41,35,383)	–	(95,93,350)	–
Actuarial (loss)/gain	(53,43,335)	–	(39,83,842)	–
<b>Fair value of plan assets as at March 31st, 2016</b>	<b>20,00,000</b>	<b>–</b>	<b>2,19,68,346</b>	<b>–</b>
<b>The major Categories of Plan assets as a percentage of fair value of total plan assets are as follows :</b>				
Investment in Government bonds and securities and Special Deposit	0.00%		40.68%	
Investment in Mutual Funds	0.00%		57.14%	
Bank Balance	100.00%		2.18%	
	<b>100.00%</b>		<b>100.00%</b>	
<b>The Principal assumption used in determining gratuity benefit obligation for the Company's plan are below :</b>				
Discount rate	8.00%		8.00%	
Expected rate of return on assets	8.00%		8.00%	
Increase in compensation cost	5.00%		5.00%	

The estimates of future salary increase, considered in actuarial valuation, take into account of inflation, seniority, promotion and relevant factor, such as demand supply in the employment market.

## Notes to the Consolidated Financial Statements

(Amount in ₹)

- 2.34** As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The average net profit of the Company made during the three immediately financial years, as calculated under the provision of section 198 of the Companies Act, 2013, is negative, therefore no amount has been earmarked for the purpose of Corporate Social Responsibilities.
- 2.35** The Board has approved in their meeting held on 8th September, 2014 sale of the Company's Chloro Alkali Manufacturing facility at Ganjam in Odisha and Salt Manufacturing Facility at Pundi in Andhra Pradesh "on as is where is basis" on a slump sale basis as a going concern to Aditya Birla Chemicals (India) Ltd (ABCIL) at a lump sum consideration of ₹ 212 Crores. The Company has finally handed over its Chloro Alkali Manufacturing facility at Ganjam, Orissa and Salt Manufacturing Facility at Pundi in Andhra Pradesh to ABCIL on 21st September, 2015.
- 2.36** The Exceptional items includes the net profit on sale of Company's Chloro Alkali Manufacturing Facility at Ganjam, Odisha and Salt Manufacturing Facility at Pundi in Andhra Pradesh.

The above exceptional items does not includes ₹ 1,300.00 Lacs which has been kept in Escrow A/c with the Bank, pending transfer of some area of land at Ganjam, Odisha to ABCIL.

- 2.37** Basis of calculation of Basic and Diluted Earnings Per Share is as under :

Nature of Transactions	Year Ended 31.03.2016	Year Ended 31.03.2015
Profit after Tax	19,45,77,483	(28,50,26,029)
Weighted average number of Equity Shares	2,93,26,457	2,93,26,457
Basic and diluted earnings per share	6.63	(9.72)
Nominal Value of Share (Par Value)	10	10

- 2.38** Current years figures are not comparable as the company has sold Chloro Alkali Manufacturing Facility at Ganjam, along with Salt Fields on slump sale basis on "on as is where is basis" on 21/09/2015 to Aditya Birla Chemicals (india )Limited
- 2.39** Figures in bracket represent amount related to previous year.
- 2.40** Previous year's figures have been rearranged / regrouped wherever necessary.

Signatures to Note Nos. 1 and 2.

In terms of our report of even date attached herewith  
For **K. N. GUTGUTIA & CO.**

Chartered Accountants  
Firm Registration No. 304153E

**CA Subhasish Pore**  
Partner  
Membership No. 055862  
6C, Middleton Street, Kolkata  
Dated : 30th May, 2016

**Prabhu Nath Ojha**  
Executive Director  
(DIN : 00592544)

**Prabir Chakravarti**  
Director  
(DIN: 00273523)

**Virendraa Bangur**  
Managing Director  
(DIN : 00237043)

**S. K. Lahoti**  
Company Secretary

**P. K. Gupta**  
Chief Financial Officer

## Additional information pursuant to the Schedule III of the Companies Act 2013 in Consolidated Financial Statements

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount (₹)	As % of Consolidated Profit or Loss	Amount (₹)
<b>Parent- Jayshree Chemicals Limited</b>	<b>97.65%</b>	<b>25,14,15,100</b>	<b>100.22%</b>	<b>19,50,13,092</b>
	(96.66%)	(5,70,40,900)	99.86%	(28,49,96,021)
<b>Subsidiaries -</b>				
Indian				
East Coast Powers Limited	<b>2.18%</b>	<b>56,15,691</b>	<b>-0.21%</b>	<b>(4,02,091)</b>
	(-8.6%)	(54,12,408)	0.13%	(3,60,219)
<b>Minority Interests in all subsidiaries</b>	<b>0.17%</b>	<b>4,31,976</b>	<b>-0.02%</b>	<b>(33,518)</b>
	(0.74%)	(4,65,494)	0.01%	(30,008)
<b>TOTAL</b>	<b>100.00%</b>	<b>25,74,62,767</b>	<b>100.00%</b>	<b>19,45,77,483</b>
<b>Total - Previous Year</b>	100.00%	(6,29,18,802)	100.00%	(28,53,86,248)

In terms of our report of even date attached herewith

**Prabhu Nath Ojha**  
Executive Director  
(DIN : 00592544)

**Prabir Chakravarti**  
Director  
(DIN: 00273523)

**Virendraa Bangur**  
Managing Director  
(DIN : 00237043)

Kolkata  
Dated : 30th May, 2016

**S. K. Lahoti**  
Company Secretary

**P. K. Gupta**  
Chief Financial Officer





**BOOK-POST**



**JAYSHREE CHEMICALS LIMITED**

31, Chowringhee Road, Kolkata - 700016

Phone : (033) 2265 6271 (8 Lines), Fax : (033) 22263257

[www.jayshreechemicals.com](http://www.jayshreechemicals.com)



# Jayshree Chemicals Limited

Regd. Office : P.O. Jayshree-761025, District Ganjam, Odisha

CIN : L24119OR1962PLC007123

Phone : (06811) 254319, Fax : (06811) 254384, E-mail : jcl@jayshreechemicals.com

Website : www.jayshreechemicals.com

## Notice

NOTICE is hereby given that the 54th Annual General Meeting of the Company will be held at its Registered Office at P.O. Jayshree-761025 District Ganjam, Odisha on Friday, the 9th day of September, 2016 at 2.30 P.M. to transact the following business:-

1. To receive and adopt the statement of Profit and Loss of the Company for the year ended 31st March, 2016 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Prabhu Nath Ojha, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :  
Resolved that the Company hereby approves the reappointment of and the remuneration payable to Shri Prabhu Nath Ojha as the Whole-time Director designated as Executive Director of the Company for a further period of two years with effect from 1st April, 2016 to 31st March, 2018 upon the terms and conditions set out in the Agreement to be entered into by the Company with Shri Prabhu Nath Ojha in this behalf, a draft whereof initialled by the Chairman for the purpose of identification is placed before the Meeting.
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :  
Resolved that the Company hereby approves the re-appointment of and the remuneration payable to Shri Virendraa Bangur as the Managing Director of the Company for a further period of three years with effect from 12th November, 2016 to 11th November, 2019 upon the terms and conditions set out in the Agreement to be entered into by the Company with Shri Virendraa Bangur in this behalf, a draft whereof initialled by the Chairman for the purpose of identification is placed before the Meeting.

Date : 30th May, 2016

**S. K. Lahoti**  
*Company Secretary*

### IMPORTANT NOTES :

- i) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS STEAD AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- ii) The Register of Members and the Share Transfer Books of the Company will remain closed from 3rd September, 2016 to 9th September, 2016 both days inclusive.
- iii) Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to the Special Business at the Meeting, is annexed.
- iv) Shareholders desiring any information on the Accounts are requested to write to the Company in advance to enable the Company to keep the information ready.
- v) In terms of the provisions of Section 72 of the Companies Act, 2013, nomination facility is available to individual Shareholders. Shareholders holding Shares in physical form and desirous of availing the above facility are advised to submit their Nominations in Form SH.13 prescribed under Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014. Shareholders holding Shares in the dematerialised form are advised to contact their Depository Participant in this behalf.
- vi) The Company's Shares are available for dematerialisation both on National Securities Depository Limited and Central Depository Services (India) Ltd. and its ISIN No. is INE693E01016.
- vii) Shareholders, who hold Shares in dematerialised form, are requested to bring their Client ID and DPID Nos. for easier identification of attendance at the Meeting.
- viii) The Company had declared dividend on 28th August, 2009 for its financial year ended 31st March, 2009 and Interim Dividend for the financial year 2009-10 on 20th October, 2009 respectively. Shareholders are hereby informed that the dividend amount for the year ended 31st March, 2009, remaining unclaimed shall become due for transfer on 2nd September, 2016 and Interim Dividend for the financial year 2009-10 remaining unclaimed shall become due for transfer on 25th November, 2016 respectively to the Investor Education and Protection Fund established by the Central Government in terms of Section 125(1) of the Companies Act, 2013.  
Members are requested to note that no claim shall lie against the Company or the aforesaid Fund in respect of any amount of dividend remaining unclaimed/ unpaid for a period of 7 years from the dates they became first due for payment. Any member, who has not claimed the dividend in respect of the Financial year ended 31st March, 2009 onwards are requested to approach the Company / the Registrar and Share Transfer Agents of the Company for claiming the same as early as possible.
- ix) The Company is concerned about the environment. The Ministry of Corporate Affairs, Government of India, through its Circular Nos.17/2011 and 18/2011, dated 21st April, 2011 and 29th April, 2011 respectively, has allowed companies to send official documents to their shareholders electronically as part of its Green Initiative.

Accordingly, we propose to send annual report and other documents to the email address provided by you to your depository

## Notice

participant/ Registrar of the Company viz. Niche Technologies Pvt. Ltd., D-511, Bagree Market, 5th Floor, 71, B.R.B.Basu Road, Kolkata-700001.

We request you to update your email address with your depository participant/ Registrar to ensure that the annual report and other documents reach you on your preferred email.

- x) In terms of Regulation 36 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the information pertaining to the Director, who retires by rotation and is proposed to be re-appointed, is given below:

Shri Prabhu Nath Ojha, who is about 68 years of age, is a Bachelor of Chemical Engineering from Jadavpur University, Kolkata and has more than 44 years of experience in chemical/ process industries and power plants in many companies in various capacities. He is a Life Member of the Indian Institute of Directors; a Member of American Institute of Chemical Engineers; Indian Institute of Chemical Engineers and Institute of Engineers (India) and Charter Engineer. He is an active Rotarian. Shri Ojha is also a director of Bangur Exim Private Ltd. and PCAS Exim Private Ltd.

Shri Prabhu Nath Ojha holds 5 Equity Shares of the Company in his own name.

- xi) The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar of the Company.
- xii) Voting through electronic means.

I. In compliance with the provisions of Section 108 of the Companies Act, 2013, 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 Disclosures Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) 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 Central Depository Services (India) Limited (CDSL).

II. The facility for voting through ballot 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 to vote at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

III. The process and manner for remote e-voting are as under:

- 1) The remote e-voting period commences on 6th September, 2016 (09:00 A.M.) and ends on 8th September, 2016 (5:00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 2nd September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- 2) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- 3) Click on "Shareholders" tab.
- 4) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- 5) Next enter the Image Verification as displayed and Click on Login.
- 6) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- 7) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>

## Notice

DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format
Bank Account Number (DBD)	Enter the Bank Account Number as recorded in your demat account with the depository or in the Company records for your folio. <ul style="list-style-type: none"> <li>• Please Enter the DOB or Bank Account Number in order to Login.</li> <li>• If both the details are not recorded with the depository or Company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (4).</li> </ul>

- 8) After entering these details appropriately, click on "SUBMIT" tab.
  - 9) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - 10) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - 11) Click on the EVSN for "JAYSHREE CHEMICALS LIMITED" on which you choose to vote.
  - 12) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - 13) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - 14) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - 15) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - 16) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - 17) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - 18) Note for Institutional Shareholders & Custodians :
    - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - 19) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533.
  - 20) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xiii) Institutional Members / Bodies Corporate (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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [jaiswalarun82@gmail.com](mailto:jaiswalarun82@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 8th September, 2016 upto 5:00 pm without which the vote shall not be treated as valid.
- (xiv) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 2nd September, 2016. A person who is not a member as on cut off date should treat this notice for information purpose only.

## Notice

- (xv) The notice of the Annual General Meeting will be sent to the members, whose names appear in the register of members / beneficiary owners as at closing hours of business on 22nd July, 2016.
- (xvi) The shareholders shall have one vote per equity share held by them as on the cut-off date of 2nd September, 2016. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
- (xvii) Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 2nd September 2016 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- (xviii) Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Registrar/ Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
- (xix) Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 2nd September, 2016 are requested to send the written / email communication to the Company at sklahoti@jayshreechemicals.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
- (xx) Shri Arun Kumar Jaiswal, Practising Company Secretary (Certificate of Practice Number: 12281) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xxi) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.jayshreechemicals.com and on the website of CDSL. The same will be communicated to the Bombay Stock Exchange Limited.

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### STATEMENT

Pursuant to Section 102 of the Companies Act, 2013

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#### Re. Item No. 4

Having regard to his qualifications, background and experience, the Board of Directors of the Company ('the Board') at its Meeting held on 16th March, 2016 re-appointed Shri Prabhu Nath Ojha as the Wholetime Director designated as Executive Director of the Company for a further period of two years with effect from 1st April, 2016 to 31st March, 2018 on such remuneration as may be approved by the Nomination and Remuneration Committee of the Directors of the Company ('Remuneration Committee'). The Remuneration Committee at its Meeting held on 16th March, 2016 decided the remuneration of Shri Ojha.

The terms and conditions of such re-appointment of Shri Prabhu Nath Ojha as approved by the Board are set out in the Agreement ('Agreement') to be entered into by the Company with him and an abstract of the terms thereof togetherwith information required to be given to the Shareholders pursuant to Section II of Schedule V to the Companies Act, 2013 ('the Act') is set out below :-

#### I. GENERAL INFORMATION :

1. Nature of Industry : Chlor-Alkali (upto 20.9.2015)
2. Date of commencement of Commercial Production. : In the year 1967
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not Applicable

4. Financial Performance based on Given indicators :	Financial year	Total Turnover (₹)	Net Profit/(Loss) (₹)
	2013-14	1,21,25,42,049	(18,06,33,574)
	2014-15	1,19,63,81,760	(28,50,26,029)
	2015-16	52,95,81,482	14,49,94,378

5. Foreign investments or collaborations, if any : None

#### II. INFORMATION ABOUT THE APPOINTEE :

1. **Background details :** Shri Prabhu Nath Ojha, who is about 68 years of age, is a Bachelor of Chemical Engineering from Jadavpur University, Kolkata and has more than 44 years of experience in chemical/ process industries and power plants in many companies in various capacities. He is a Life Member of the Indian Institute of Directors; a Member of American Institute of Chemical Engineers; Indian Institute of Chemical Engineers and Institute of Engineers (India) and Charter Engineer. He is an active Rotarian. Shri Ojha is also a director of Bangur Exim Private Ltd. and PCAS Exim Private Ltd.

## Notice

2. Past Remuneration :
- a) Salary : ₹ 1,00,000/- per month
  - b) Special Allowance ₹ 7,000/- per month
  - c) Perquisites
    - i) House Rent Allowance : At the rate of 15% of the Salary per month.
    - ii) Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of 12.5% of the Salary drawn by Shri Ojha during the period.
    - iii) Leave Travel Assistance : At the rate of 12.5% of the Salary drawn by Shri Ojha during the period.
    - iv) Reimbursement of Conveyance Expenses : To the extent of Rs.20,000/- per month for the Company's business.
    - v) Encashment of accumulated leave not exceeding two months at the end of the tenure.
    - vi) Telephone : The Company will provide one Telephone at his residence.
3. Recognition or Awards : Shri Ojha is the recipient of various awards including the Life Time Achievement Award from Greentech Society of India
4. Job Profile and his suitability: Shri Ojha is the Wholetime Director designated as Executive Director of the Company since 17th August, 2011. He is fully conversant with the activities of the Company. As Executive Director, he shall devote whole of his time and attention to the business and affairs of the Company and perform such duties and exercise such powers as may from time to time be entrusted to or vested in him by the Board subject to superintendence, control and direction of the Board.
5. Remuneration Proposed: In consideration of his services as Wholetime Director designated as Executive Director, Shri Ojha shall be entitled to receive the following by way of remuneration :-
- a) Salary : ₹ 55,000/- per month
  - b) Special Allowance ₹ 3,000/- per month
  - c) Perquisites
    - i) House Rent Allowance : At the rate of 15% of the Salary per month.
    - ii) Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of 12.5% of the Salary in each year.
    - iii) Leave Travel Assistance : At the rate of 12.5% of the Salary in each year.
    - iv) Reimbursement of Conveyance Expenses : To the extent of Rs.20,000/- per month for the Company's business.
    - v) Encashment of accumulated leave not exceeding two months at the end of the tenure.
    - vi) Telephone : The Company will provide one Telephone at his residence.

Under the Agreement Shri Ojha is entitled to leave on full pay and allowances as per the Company's Rules/Practice in force from time to time.

The Agreement also sets out the mutual rights and obligations of the parties and other administrative details.

6. Comparative Remuneration profile with : The proposed remuneration is comparable with the prevalent trend in the respect to Industry, size of the company, Industry and commensurate with the size of the Company and profile of the profile of the position and person. position and the person.
7. Pecuniary relationship directly or indirectly : Shri Ojha holds 5 Equity Shares of the Company in his own name. with the company, or relationship with the managerial personnel, if any.

### III. OTHER INFORMATION

1. Reasons of loss or inadequate profits. : Steep increase in the cost of power in the state of Odisha and also increase in cost of salt and other raw materials and absence of chlorine consuming industries in the nearby area.
2. Steps taken or proposed to be taken for : The Company has since sold its Chlor-Alkali Division comprising of Caustic Soda Manufacturing Unit at Ganjam (Odisha) and Salt Manufacturing Facility at Pundi (Andhra Pradesh) to Aditya Birla Chemicals (India) Limited by way of a slump sale to arrest the loss and stop depletion of the capital.
3. Expected increase in productivity and profits : With the above, the Company will have surplus funds which can be utilized in in measurable terms. profitable ventures.

# Notice

## IV. DISCLOSURES

- i) The remuneration package of Shri Ojha has been given hereinabove and necessary disclosures in the Directors' Report under the heading "Corporate Governance" regarding elements of remuneration of all the Directors will be made.
- ii) The above remuneration of Shri Ojha is fixed component. There are no performance linked incentives
- iii) Service contract is from 1st April, 2016 to 31st March, 2018. Notice period is of 1 month. There is no severance fees.
- iv) There are no Stock Options.

The re-appointment and remuneration of Shri Ojha as the Wholetime Director designated as Executive Director of the Company require approval of the Members of the Company in general meeting by a Special Resolution.

Copy of the draft Agreement for re-appointment of Shri Ojha as the Wholetime Director designated as Executive Director setting out the terms and conditions of his appointment would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

The Special Resolution set out at Item No.4 in the convening Notice has to be considered accordingly and the Board recommends the same.

Save and except Shri Prabhu Nath Ojha, no other Director and Key Managerial Personnel of the Company and their relatives are concerned or interested in the proposed Special Resolution.

## Re. Item No. 5

Having regard to his qualification, background and experience, the Board of Directors of the Company ('the Board') at its Meeting held on 30th May, 2016 re-appointed Shri Virendraa Bangur as the Managing Director of the Company for a further period of three years with effect from 12th November, 2016 to 11th November, 2019 on such remuneration as may be approved by the Nomination and Remuneration Committee of the Directors of the Company ('Remuneration Committee'). The Remuneration Committee at its Meeting held on 30th May, 2016 decided the remuneration of Shri Virendraa Bangur.

The terms and conditions of such re-appointment of Shri Virendraa Bangur as approved by the Board are set out in the Agreement ('Agreement') to be entered into by the Company with him and an abstract of the terms thereof together with information required to be given to the Shareholders pursuant to Section II of Schedule V to the Companies Act, 2013 ('the Act') is set out below:-

### I. GENERAL INFORMATION :

1. Nature of Industry : Chlor-Alkali (upto 20.9.2015)
2. Date of commencement of Commercial Production. : In the year 1967
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not Applicable

4. Financial Performance based on Given indicators :	Financial year	Total Turnover (₹)	Net Profit/(Loss) (₹)
	2013-14	1,21,25,42,049	(18,06,33,574)
	2014-15	1,19,63,81,760	(28,50,26,029)
	2015-16	52,95,81,482	14,49,94,378

5. Foreign investments or collaborations, if any : None

### II. INFORMATION ABOUT THE APPOINTEE :

1. **Background details :** Shri Virendraa Bangur is a Commerce Graduate with Honours from Calcutta University. He is young and energetic with progressive outlook. Shri Bangur is on the Board of Directors of several companies. He is a Member of the Young Entrepreneurs Organisation
2. Past Remuneration :
  - a) Salary : ₹ 2,75,000/- per month
  - b) Perquisites
    - i) House Rent Allowance : At the rate of 15% of the Salary per month.
    - ii) Medical Reimbursement : Expenses incurred for self and family subject to a ceiling of one and half months' Salary in each year.
    - iii) Leave Travel Assistance : At the rate of one and half months' Salary in each year.
    - iv) Company's contributions for him to Provident Fund, Superannuation Fund or Annuity Fund in accordance with the Rules and Regulations of the Company.
    - v) Gratuity entitlement at a rate not exceeding half a month's Salary for each completed year of service
    - vi) Encashment of accumulated leave not exceeding two months at the end of the tenure.

## Notice

In addition to the aforementioned remuneration, the Company also provided at its expenses Shri Bangur with a car for use on the Company's business and a telephone at his residence.

Under the Agreement Shri Virendraa Bangur is entitled to leave on full pay and allowances as per the Company's Rules/ Practice in force from time to time.

3. Recognition or Awards : Nil
4. Job Profile and his suitability: Shri Virendraa Bangur is a Director of the Company since 5th June, 2003. Shri Bangur has experience of industries like newsprint, chemicals, cables, etc. Shri Bangur is also the Chairman of Akhivi Tea Plantations And Agro Industries Ltd. and Gold Mohore Investment Company Ltd.; and Director of Bangur Exim Private Ltd.; Taparia Tools Ltd.; Union Company Ltd.; Fort Gloster Electric Ltd.; Shree Satyanarayan Properties Private Ltd. and Precious Tools Private Ltd. He is a Member of the Investors' Grievance Committee of the Board of Directors of the Company.
5. Remuneration Proposed: In consideration of his services as Managing Director, Shri Virendraa Bangur shall be entitled to receive the following by way of remuneration :-
- a) Salary : ₹ 1,25,000/- per month
- b) Perquisites
- i) House Rent Allowance : At the rate of 15% of the Salary per month.
  - ii) Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of one and half months' Salary in each year.
  - iii) Leave Travel Assistance : At the rate of one and half months' Salary in each year.
  - iv) Company's contributions for him to Provident Fund and Superannuation Fund in accordance with the Rules and Regulations of the Company.
  - v) Continuation of Gratuity entitlement at a rate not exceeding half a month's Salary for each completed year of service.
  - vi) Encashment of accumulated leave not exceeding two months at the end of the tenure.

In addition to the aforementioned remuneration, the Company will at its expenses provide Shri Bangur with a car for use on the Company's business and a telephone at his residence provided that use of car for private purpose and personal long distance calls on the telephone shall be billed by the Company to him.

Under the Agreement Shri Virendraa Bangur is entitled to leave on full pay and allowances as per the Company's Rules/ Practice in force from time to time.

The Agreement also sets out the mutual rights and obligations of the parties and other administrative details.

6. Comparative Remuneration profile with : The proposed remuneration is comparable with the prevalent trend in the respect to Industry, size of the company, Industry and commensurate with the size of the Company and profile of the position and person. position and the person.
7. Pecuniary relationship with the company, or : Shri Virendraa Bangur holds 492500 Equity Shares of the Company in his own relationship with the managerial personnel, name. if any.

### III. OTHER INFORMATION

1. Reasons of loss or inadequate profits. : Steep increase in the cost of power in the State of Odisha and also increase in cost of salt and other raw materials and absence of chlorine consuming industries in the nearby area.
2. Steps taken or proposed to be taken for : The Company has since sold its Chlor-Alkali Division comprising of Caustic Soda Manufacturing Unit at Ganjam (Odisha) and Salt Manufacturing Facility at Pundi (Andhra Pradesh) to Aditya Birla Chemicals (India) Limited by way of a slump sale to arrest the loss and stop depletion of the capital.
3. Expected increase in productivity and profits : With the above, the Company has surplus funds which can be utilized in in measurable terms. profitable ventures.

### IV. DISCLOSURES

- i) The remuneration package of Shri Virendraa Bangur has been given hereinabove and necessary disclosures in the Directors' Report under the heading "Corporate Governance" regarding elements of remuneration of all the Directors will be made.
- ii) The above remuneration of Shri Virendraa Bangur is fixed component. There are no performance linked incentives.

## Notice

- iii) Service contract is from 12th November, 2016 to 11th November, 2019. Notice period is of 3 months. There is no severance fees.
- iv) There are no Stock Options.

The re-appointment and remuneration of Shri Virendraa Bangur as the Managing Director of the Company require approval of the Members of the Company in general meeting by a Special Resolution.

Copy of the draft Agreement for re-appointment of Shri Virendraa Bangur as Managing Director setting out the terms and conditions of his appointment would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

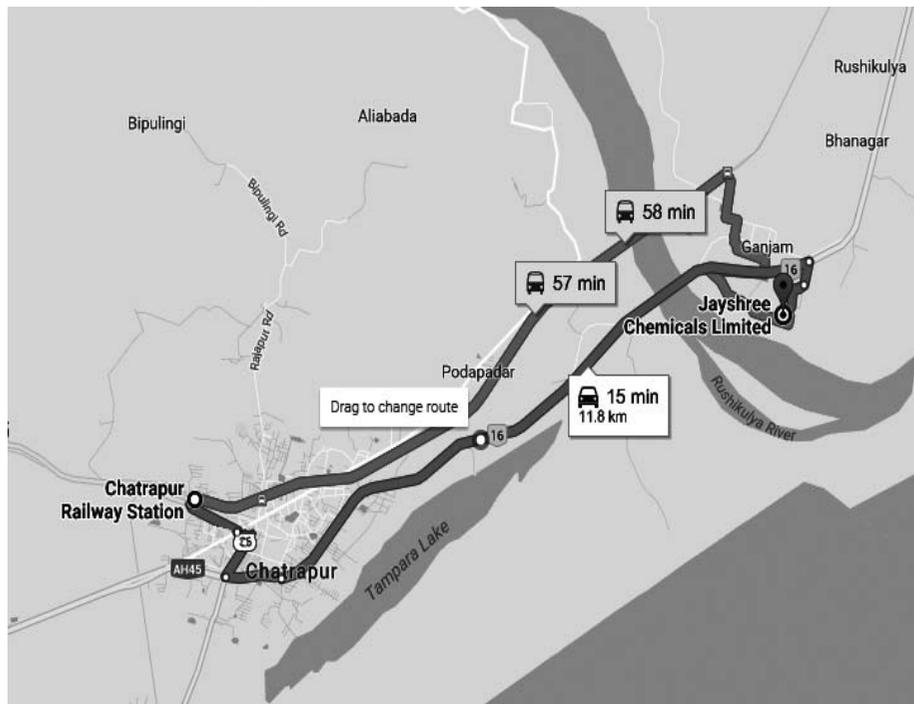
The Special Resolution set out at Item No. 5 in the convening Notice has to be considered accordingly and the Board recommends the same.

Save and except Shri Virendraa Bangur and his father Shri Shree Kumar Bangur, Chairman of the Company no other Director and Key Managerial Personnel of the Company and their relatives are concerned or interested in the proposed Special Resolution.

Date : 30th May, 2016

**S. K. Lahoti**  
Company Secretary

**Route Map to 54th AGM Venue of Jayshree Chemicals Limited**



**JAYSHREE CHEMICALS LIMITED****ELECTRONIC VOTING PARTICULARS**

CIN: L24119OR1962PLC007123

Regd. Office: P.O. Jayshree – 761 025, District Ganjam, Odisha

Phone: (06811) 254 319; Fax: (06811) 254 384; E-mail: jcl@jayshreechemicals.com; Website: www.jayshreechemicals.com

EVSN (Electronic Voting Sequence Number)	User ID	Password
160617009		

The e-voting facility will be available during the following voting period:

Commencement of E-voting	End of E-voting
Tuesday 6 <sup>th</sup> September, 2016 from 9 A.M. (IST)	Thursday 8 <sup>th</sup> September, 2016 till 05.00 P.M. (IST)

Please read the instructions mentioned in the Notice of the AGM before exercising your vote.

**JAYSHREE CHEMICALS LIMITED**

CIN: L24119OR1962PLC007123

Regd. Office: P.O. Jayshree – 761 025, District Ganjam, Odisha

Phone: (06811) 254 319; Fax: (06811) 254 384; E-mail: jcl@jayshreechemicals.com; Website: www.jayshreechemicals.com

**ATTENDANCE SLIP**

I/We hereby record my/our presence at the 54 <sup>th</sup> Annual General Meeting held on Friday, the 9th day of September, 2016 at 2.30 p.m. at P.O. Jayshree-761025, District Ganjam, Odisha.	
Serial No.	
Name of Member(s)	
Registered Address	
Shareholding	
Folio No./DP ID & Client ID	

Name of Proxy (in BLOCK LETTERS)

Signature of Shareholder/Proxy Present

- Please bring the Attendance Slip duly signed, to the meeting and hand it over at the entrance. Duplicate slips will not be issued at the venue of the Meeting.
- Please read the instructions given at Note No. xii) of the Notice of the Annual General Meeting carefully before voting electronically.
- These details and instructions form integral part of the Notice dated 30th May, 2016 for the Annual General Meeting to be held on 9th September, 2016.

**JAYSHREE CHEMICALS LIMITED**

CIN: L24119OR1962PLC007123

Regd. Office: P.O. Jayshree – 761 025, District Ganjam, Odisha

Phone: (06811) 254 319; Fax: (06811) 254 384; E-mail: jcl@jayshreechemicals.com; Website: www.jayshreechemicals.com

**PROXY FORM – MGT 11****54<sup>th</sup> ANNUAL GENERAL MEETING ON FRIDAY, SEPTEMBER 9, 2016 AT 2.30 P.M.**

I/We being the member(s), holding ..... shares of JAYSHREE CHEMICALS LIMITED hereby appoint:

- 1) Name.....Address.....  
Email ID.....Signature.....or failing him;
- 2) Name.....Address.....  
Email ID.....Signature.....or failing him;
- 3) Name.....Address.....  
Email ID.....Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 54<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, the 9th day of September, 2016 at 2.30 p.m. at P.O. Jayshree - 761025 District Ganjam, Odisha and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	Optional (✓)*	
		For	Against
<b>Ordinary Business</b>			
1	Adoption of the Statement of Profit and Loss of the Company for the year ended 31st March, 2016 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.		
2	Appointment of Shri Prabhu Nath Ojha , who retires by rotation and offers himself for re-appointment..		
3	Appointment of Auditors and to fix their remuneration.		
<b>Special Business</b>			
4	Reappointment of and the remuneration payable to Shri Prabhu Nath Ojha, Executive Director of the Company.		
5.	Reappointment of and the remuneration payable to Shri Virendraa Bangur, Managing Director of the Company.		

Signed this .....day of ..... 2016.

Member's Folio / DP ID & Client ID No.....Signature of the shareholder(s) .....

Signature of Proxy holder(s) .....

Affix Revenue Stamp
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**Notes:**

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 54<sup>th</sup> Annual General Meeting.
- \* 3. It is optional to put a '✓' in the appropriate column against the Resolutions indicated to the Box. If you leave the 'For' or 'Against' column blank against any or all 'Resolution/s' your proxy will be entitled to vote in the manner as he/she thinks appropriate.