
DE NORA INDIA LIMITED



ANNUAL REPORT 2015-16



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REGISTRAR & TRANSFER AGENT M/s. Bigshare Services Private Limited Unit: De Nora India Limited E-2 & 3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (E), Mumbai - 400 072 Ph. No.: 022 40430200/40430294; Fax No.: 022 28475207 Email: investor@bigshareonline.com Website: www.bigshareonline.com		REGISTERED OFFICE & WORKS PLOT NOS. 184,185 & 189 KUNDAIM INDUSTRIAL ESTATE KUNDAIM, GOA - 403 115 Tel.: 91-832-3981100 Fax.: 91-832-3981101 Email: denoraindia@denora.com Website: www.denoraindia.com	
BANKERS BANK OF BARODA			



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NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting of the Members of DE NORA INDIA LIMITED ('the Company') will be held on Wednesday, 21st September, 2016 at 11.00 a.m. at the Registered Office of the Company at Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa 403 115, to transact the following business:

ORDINARY BUSINESS

1. Adoption of Financial Statements, etc. for the Fifteen months financial period 01.01.2015 - 31.03.2016

To receive, consider and adopt the Balance Sheet of the Company as on 31st March, 2016, the Statement of Profit and Loss of the Company and the Cash Flow Statement for the fifteen months financial period ended on that date and the Reports of the Board of Directors ('the Board') and Auditors thereon.

2. Declaration of Dividend on Equity Shares

To declare dividend on Equity Shares for the fifteen months period ended 31st March 2016

3. Re-appointment of Mr. Robert Scannell (DIN: 06818489) as Director liable to retire by rotation

To appoint a Director in place of Mr. Robert Scannell (DIN: 06818489), who retires by rotation and being eligible, offers himself for re-appointment.

4. Ratification of appointment of Statutory Auditors

To ratify the appointment of the Statutory Auditors of the Company and to fix their remuneration and to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the members at the 26th Annual General Meeting ('AGM') held on June 29, 2015, the Company hereby ratifies the appointment of M/s. B S R & Associates LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 116231W/W-100024) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Twenty Eight Annual General Meeting of the Company to be held in the calendar year 2017, to examine and audit the accounts of the Company for the Financial Year 2016-17 at such remuneration plus service tax, out of pocket expenses, travelling expense etc. as determined by the Audit Committee and approved by the Board, in consultation with the auditors."

SPECIAL BUSINESS

5. Appointment of Mr. Vinay Chopra (DIN: 06543610) as the Managing Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions if any, of the Companies Act, 2013, and the rules made thereunder (including any amendments thereto or statutory modifications or re-enactment thereof for the time being in force) and subject to all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, the Company hereby accords its approval to the appointment of Mr. Vinay Chopra (holding DIN - 06543610), as the Managing Director of the Company for a period of three (3) years w.e.f. 16th July, 2016 on terms and remuneration as detailed in the statement forming part of this notice.

"RESOLVED FURTHER THAT notwithstanding anything herein above stated, where in any financial year closing after March 31, 2016 during the currency of the tenure of the Managing Director, the Company incurs loss or its profits are inadequate, the Company shall pay to the Managing Director by way of aforesaid remuneration not exceeding the limits specified under Section II, Part II of Schedule V to the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), or such other limits as may be prescribed by the Government from time to time as 'Minimum Remuneration.'

"RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include the Nomination and Remuneration Committee) be and is hereby authorized to revise, amend, alter and/or vary the terms and conditions in relation to the above appointment and also the remuneration on a yearly basis based on performance, in such manner and within the overall limits as may be permitted in accordance with the provisions of the Act, subject to such approvals as may be required.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution."

By Order of the Board of Directors

For De Nora India Limited

Place: Kundaim, Goa

Dated: May 25, 2016

Jyoti Bandodkar
Company Secretary



NOTES:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY (IES) TO ATTEND AND ON A POLL, TO VOTE ON HIS/HER BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or member. The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is attached herewith.
- b) The route map to reach to the meeting venue showing the prominent landmark is given at the end of this Notice.
- c) Corporate Members intending to send their authorised representatives to attend the AGM are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- d) As per Securities Exchange Board of India ('SEBI') directive vide its Order No. WTM/RKA/MIRSD2/41/2016 dated 22nd March 2016, the Company has changed its Registrar and Transfer Agent from M/s. Sharepro Services (India) Private Limited, Mumbai to M/s. Bigshare Services Private Limited, Mumbai with effect from 1st June, 2016. The details of the new Registrar and Transfer Agent of the Company are as follows:
M/s. Bigshare Services Private Limited
E-2 & 3, Ansa Industrial Estate,
Saki Vihar Road, Sakinaka,
Andheri (E), Mumbai - 400 072
Ph. No. 022 4043 0200
Email: investor@bigshareonline.com
Website: www.bigshareonline.com
- e) The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Rules framed thereunder is annexed hereto in respect of the Special Business to be transacted at the meeting as mentioned at item No. 5 of the Notice, is annexed herewith and forms part of this Notice.
- f) The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, September 15, 2016 to Wednesday, September 21, 2016 (both days inclusive) for determining the names of members eligible for dividend, if approved, in the Annual General Meeting. In case of shares held in electronic form, dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories for this purpose.
- g) Members desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
- h) Members/Proxies/Authorised Representatives should bring the enclosed attendance slips duly filled-in for attending the meeting.
- i) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act will be available for inspection by the members at the AGM.
- j) Pursuant to the provisions of Sec. 205A(5) of the Companies Act, 1956, dividend for the financial year ended December 31, 2008 which remain unclaimed till May 19, 2016 will be transferred by the Company to the "Investors Education & Protection Fund" (IEPF) established by the Central Government. The due date for transfer to IEPF is June 18, 2016.
Unclaimed and unpaid dividend for the Financial Years 2003, 2004, 2005, 2006 and 2007 have already been transferred to "Investors Education And Protection Fund" on June 27, 2011, April 20, 2012, May 17, 2013 July 01, 2014 and May 21, 2015 respectively and no claims shall lie against the Company or the said fund in respect of such dividend which remains unclaimed or unpaid for a period of 7 years from the date when they first became due.
- k) Pursuant to Section 72 of the Companies Act, 2013, Members are entitled to make nomination in respect of shares held by them in physical form. **Members desirous of making nominations are requested to send their requests in Form SH-13 (enclosed) to our Registrar & Transfer Agent i.e. M/s. Bigshare Services Private Limited.**
- l) Members are requested to notify immediately any change in their address/contact details to the Registrar & Transfer Agents of the Company at the above address along with address proof, i.e. Electric/ Telephone Bill, Driving License or a copy of passport and Bank particulars. In case the shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the Company/RTA.
- m) As per SEBI's directive, w.e.f. June 26, 2000 all investors can offer delivery of Company's shares in dematerialized form only. 51,72,958 number of Company's shares (97.44%) have been dematerialized as on 31.03.2016.
Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Registrar & Share Transfer Agent for assistance in this regard.



- n) Members must quote their Folio No./Client ID and DP ID and contact details such as e-mail address, contact no., etc. in all their correspondence with the Company / Registrar & Share Transfer Agent.
- o) Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Members as on September 15, 2016.
- p) Members holding shares in dematerialized form are requested to provide their latest bank account details (Core Banking Solutions Enabled account number, 9 digit MICR and 11 digit IFS Code) to their respective DP. Members holding shares in physical form are requested to provide their latest bank account details (Core Banking Solutions Enabled account number, 9 digits MICR and 11 digit IFS Code) along with their Folio No. to the Company's Registrar & Transfer Agent.
- q) The Company provides the facility of NECS to all Members. Members holding shares in the physical form who wish to avail this facility, may authorize the Company with their NECS mandate in the prescribed form, attached with this Annual Report. The duly filled in NECS mandate should be lodged with the Registrar & Transfer Agents, on or before September 14, 2016. Members holding shares in electronic form should inform the same to their respective Depository Participants.
- r) SEBI & the Ministry of Corporate Affairs, Government of India has introduced a 'Green initiative in Corporate Governance by allowing paperless compliances by the Companies for service of documents to their members through electronic mode, which will be in compliance with Section 20 of the Companies Act, 2013 and Rules framed thereunder.
- In case you have not registered your correct e-mail ID or if there is any change in the e-mail ID already registered with the Company, please communicate the same to our Registrars and Share Transfer Agent in respect of the shares held by you in physical mode or communicate to your Depository Participant(s) concerned in respect of shares held by you in demat/ electronic mode which will enable us to forward all corporate communications to you by e-mail, which will further help us participate in the Green Initiatives of MCA and protect our environment.
- s) The copy of the Annual Report including financial statements, Board's Report, Notice of the AGM etc. is being sent to all the Members, whose names appear in the Register of Members/ Record of Depositories as on 19th August 2016. In terms of Section 101 & 136 of the Companies Act, 2013 read with the relevant rules framed thereunder, the above documents are being sent by electronic mode, to those members who have registered their e-mail IDs with the Share Transfer Agent of the Company and to the remaining Members notice is sent by courier service. The Notice of this AGM & the Annual Report is also available on the Company's website, www.denoraindia.com. In case you wish to get a physical copy of the Annual Report, you may send your request to denoraindia@denora.com.
- t) Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty four hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.
- u) A brief profile of the Directors proposed to be appointed/ re-appointed, as required in terms of Regulation 36 of the SEBI [Listing Obligations and Disclosure Requirement] Regulations, 2015 ('Listing Regulations 2015') is annexed hereto. The Directors have furnished consent/declaration for their appointment/ re-appointment as required under the Companies Act, 2013 and the Rules framed thereunder.
- v) SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Transfer Agent of the Company.
- w) Voting through electronic means**
- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder and Clause 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide the members the 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 National Securities Depository Limited (NSDL).
 - II. The Company would also provide the facility for voting through the ballot or polling paper at the Annual General Meeting to the members attending the AGM who have not already cast their vote by remote e-voting in order to enable them to exercise their right of voting at the meeting.



- III. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the Annual General Meeting.
- IV. The Instructions/procedure for remote e-voting are as under:
- A. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
- (i) Open email and open PDF file viz.; DeNora_e-voting.pdf with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>;
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as Initial Password/PIN noted in step (i) above. Click 'Login'.
 - (v) Password change menu will appear. Change the Password/PIN with new Password/PIN of your choice with minimum 8 digits/ characters or combination thereof. Note your new password. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select 'EVEN' (E-Voting Event Number) of De Nora India Limited.
 - (viii) Now you are ready for remote e-voting as 'Cast Vote' page opens.
 - (ix) Cast your vote by selecting appropriate option and click on 'Submit' and also 'Confirm' when prompted.
 - (x) Upon confirmation, the message 'Vote cast successfully' will be displayed.
 - (xi) Once you have voted on a Resolution, you will not be allowed to modify your vote.
 - (xii) Institutional Members (i.e., other than individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter, etc. together with attested specimen signature of the duly authorized signatory(ies) who is/are authorized to vote, to the Scrutinizer through e-mail to sadashivshet@gmail.com with a copy marked to evoting@nsdl.co.in;
- B. In case a Member receives physical copy of the Notice of the AGM [for members whose email IDs are not registered with the Company/ Depository Participant(s) or requesting physical copy] :
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
EVEN (Remote E-Voting Event Number) USER ID PASSWORD / PIN
 - (ii) Please follow all steps from Sr. No. (ii) to (xii) above, to cast your vote electronically.
 - V In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the 'Downloads' section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
 - VI If you are already registered with NSDL for remote e-voting then you can use your existing user ID and Password /PIN for casting your vote.
 - VII You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - VIII The remote e-voting period commences on Sunday, September 18, 2016 (9:00 a.m.) and ends on Tuesday, September 20, 2016 (5:00 p.m.). **Note: E-voting shall not be allowed beyond the said time.** During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 14, 2016 may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast, the member shall not be allowed to change it subsequently or cast the vote again.
 - IX The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, i.e. September 14, 2016.
 - X A person, whose name is recorded in the Register of members or in the Register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot/polling paper.
 - XI Mr. Sadashiv V. Shet, Company Secretary (ICSI Membership No. 2477) of M/s. Sadashiv. V. Shet, Practising Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - XII The Scrutinizer shall after the conclusion of the voting at the Annual General Meeting count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in the employment of the Company and make, not later than 3



(three) working days of the conclusion of the meeting 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 results of the voting forthwith.

XIII The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.denoraindia.com and on the website of NSDL immediately after the result is declared by the Chairman of the Company or a person authorized by him in writing and shall also be communicated to National Stock Exchange of India Limited, Mumbai and Bombay Stock Exchange Limited, Mumbai.

XIV Those members whose name appears in the Register of Members/Record of Depositories after the date of dispatch of notice of the AGM of the Company up to the cutoff date, they may acquire the details of the remote e-voting including their User ID and Password from the Company's Registrar and Transfer Agent and from NSDL at the below contact details:

Mr. K. S. Laxminarayana Upadhya
M/s. Bigshare Services Private Limited
E-2 & 3, Ansa Industrial Estate,
Saki Vihar Road, Sakinaka,
Andheri (E), Mumbai – 400 072
Ph. No. 022 4043 0200
Email: upadhya@bigshareonline.com

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

Ph. No. 022 24994200
Email: evoting@nsdl.co.in

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

x) Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection at the Registered Office of the Company during normal business hours 9.00 a.m. to 5.00 p. m. on all working days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting.

By Order of the Board of Directors,
For **De Nora India Limited**

Place: Kundaim, Goa
Date: May 25, 2016

Jyoti Bandodkar
Company Secretary

EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, sets out all material facts relating to the special business mentioned at Item No. 5 of the accompanying Notice dated May 25, 2016:

Item No. 5

Mr. Vinay Chopra (DIN: 06543610) was appointed as a Manager of the Company in accordance with the relevant provisions of the erstwhile Companies Act, 1956 for a term of 3 years with effect from 16th July 2013. His term of appointment as the Manager of the Company expires on 15th July 2016.

The Nomination & Remuneration Committee, at its meeting held on 25th May, 2016, recommended the appointment of Mr. Vinay Chopra (DIN: 06543610) as the Managing Director for a term of three (3) years effective from 16th July, 2016 which was approved by the Board at its meeting of even date, in accordance with the provisions of Section 196, 197, 203, Schedule V to the Companies Act, 2013 and other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, upon the terms and conditions and remuneration hereinafter indicated. The said appointment is subject to the approval of the Members of the Company in the General Meeting.

The main terms and conditions of appointment including payment of remuneration for the period of 3 years effective from July 16, 2016 to July 15, 2019 of Mr. Vinay Chopra as a Managing Director of the Company are given below:

1. **Period of Appointment:** 3 years with effect from July 16, 2016

2. **Remuneration :**

A. Basic Salary: ₹ 84, 900/- (Rupees Eighty Four Thousand Nine Hundred Only) per month which shall however be subject to such annual increments decided by the Board based on the recommendation of the Nomination & Remuneration Committee each year which shall be merit based and will take into account the performance of Mr. Chopra against the goals set by the Board as well as the performance of the Company.

B. Allowances: ₹ 13,167/- (Rupees Thirteen Thousand One Hundred and Sixty Seven Only) per month

C. Performance related Incentives

Performance related Incentives may be paid to the Managing Director as the Board may in its absolute discretion determine and approve linked to Mr. Chopra's performance as the Managing Director and within the overall limits as prescribed in Sections 197, 198, Schedule V and all other applicable provisions of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification or re-enactment thereof, for the time being in force).



D. Perquisites/Benefits

In addition to Salary, Allowances and Performance Incentive, Mr. Chopra shall be entitled to the following perquisites in accordance with the Company's policies, practices and procedures:

1. Housing: House Rent Allowance (H.R.A.) of not more than ₹ 50,940/- (Rupees Fifty Thousand Nine Hundred and Forty Only) per annum;
2. Car/Conveyance Allowance: The Company shall provide a suitable vehicle for Mr. Chopra for business use. Fuel costs, repairs, maintenance and running expenses including driver's salary shall be borne / reimbursed by the Company;
3. Medical Hospitalization Insurance: A suitable medical insurance policy, covering hospitalization of Mr. Chopra and his family, whilst Mr. Chopra is in the employment of the Company, as per the Company policy;
4. Telephone, internet connectivity and other communication facilities: The Company shall provide a mobile phone to Mr. Chopra and shall also provide telephone, internet connectivity and other communication facilities at his residence. All the expenses incurred therefore shall be paid or reimbursed by the Company, as per the rules of the Company.
5. Personal Accident Insurance for Mr. Chopra only;
6. Leave Travel Allowance: Mr. Chopra shall be entitled to LTA applicable to him, being an employee of the Company, as per the existing rules. The entitlement for any one year to the extent not availed of shall be allowed to be accumulated up to next two Financial Years as per the Income Tax Act and Rules.
7. Medical Reimbursement: Reimbursement of such medical expenses, for self and family (within the country), at actuals, subject to limits as per the rules of the Company.
8. Special Allowance: As may be decided by the Board of Directors on the recommendation of the Nomination & Remuneration Committee.
9. Any other benefit/perquisite as may be determined by the Board at its discretion from time to time.

Explanation:

Perquisites shall be evaluated as per the Income Tax Rules, wherever applicable, and in absence of any such rule, perquisites shall be evaluated at actual cost.

3. Retirement Benefits:

Company's contribution to Provident Fund as per the Employees Provident Funds and Miscellaneous

Provisions Act, 1952 and Superannuation as per Company's policy, and Gratuity payable as per the rules of the Company for the time being in force. The value of such benefits shall not be included in the computation of the ceiling on the remuneration or perquisites aforesaid, to the extent these are not taxable under the Income-tax Act, 1961.

4. Income-Tax:

Income Tax, if any, on or in respect of the entire remuneration payable to Mr. Chopra shall be borne and paid by him.

5. Annual Leave:

Mr. Chopra shall be entitled to accumulated leave with full pay or encashment thereof, as per the rules of the Company.

6. Overall Remuneration:

Notwithstanding anything herein contained, it is expressly agreed and understood that:

- a. the total remuneration payable by the Company to Mr. Chopra in any one financial year, including salary, allowance, performance incentives and perquisites as aforesaid shall not exceed the limits prescribed under Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any modifications or re-enactment for the time being in force.
- b. where in any financial year during the tenure of Mr. Chopra's employment as Managing Director with the Company, the Company has no profits or its profits are inadequate, the aforesaid remuneration (consisting of all his fixed and variable pay) payable by the Company to Mr. Chopra shall be paid as "minimum remuneration", subject to approval by the Members of the Company and/or Central Government if required.
- c. In respect of the above remuneration, tax will be deducted at source as per applicable laws/rules.

7. Other Terms and Conditions of Appointment:

- a. Mr. Chopra undertakes to the best of his skill and ability to use his endeavors to promote the interests and welfare of the Company and to conform to and comply with the directions and regulations of the Company and also such orders and directions as may from time to time be given to him by the Board of Directors of the Company.
- b. The Managing Director will (i) have the general control of the business of the Company and be entrusted with the Management and day-to-day affairs of the Company as vested by the Power of Attorney granted by the Board of Directors (ii) have the authority to enter into contracts on behalf of the Company in the ordinary course of business (iii) have the authority to perform all



- other acts and things which in the ordinary course of business the Managing Director may consider necessary or proper in the best interests of the Company and (iv) the Managing Director shall be considered as a Key Managerial Personnel pursuant to the provisions of Section 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- c. The Managing Director will devote the whole of his time and attention to the business of the Company and shall not hold office in any other Company provided, however, he may with the prior approval of the Board hold Directorships in other companies and /or provide services to other group companies.
 - d. Mr. Chopra shall be entitled to be reimbursed by the Company all costs, charges and expenses as may be reasonably incurred by him for the purpose of or on behalf of the Company subject to such ceiling as may be decided by the Board on the recommendation of the Nomination & Remuneration Committee.
 - e. Mr. Chopra shall not during the continuance of his employment hereunder or at any time thereafter divulge, publish or disclose to any person whomsoever or make use whatsoever for his own purpose or for any other purpose other than that of the Company of any information, knowledge, methods, trade secrets or any confidential information relating to the business affairs or activities of the Company, obtained by him during his employment with the Company and shall, during the continuance of his employment, hereunder, use his best endeavor to prevent any other person from doing so.
 - f. The Company shall indemnify Mr. Chopra and keep him indemnified against all the costs, expenses, losses, damages, penalties that he may incur or suffer in the course of attending or performing the Company's work including the legal costs and expenses incurred by him in defending any dispute or proceedings in any Court of law, Arbitration etc.
 - g. Mr. Chopra shall disclose his interest in any Company or Companies or bodies corporate, firms or other associations of individuals and shall also disclose direct or indirect interest in any contract or arrangement entered into between the Company and such other Company/ies, body corporate, firms or association of persons in the manner laid down in Section 184 of the Companies Act, 2013 and The Companies (Meetings of Board and its Powers) Rules, 2014. In the event of his failure to disclose his interest as aforesaid or if he acts in contravention of the provisions of Section 184, his office shall forthwith stand vacated.
 - h. The Managing Director is being appointed a Director of the Company by virtue of his employment in the Company. So long as Mr. Chopra continues to be in the employment of the Company, he will be a Director not liable to retire by rotation.
 - i. If at any time Mr. Chopra ceases to be a Director of the Company, for any reason whatsoever, he shall cease to be the Managing Director, in terms of this Agreement which shall forthwith stand terminated.
 - j. If at any time Mr. Chopra ceases to be in the employment of the Company for any cause whatsoever, he shall cease to be a Director of the Company.
8. **Severance Terms:**
Notwithstanding anything to the contrary herein contained:
- (a) the Company shall be entitled to terminate the Agreement at any time by giving Mr. Chopra not less than 3 (Three) months' notice in writing in that regard, without assigning any reason thereto, or upon payment to Mr. Chopra of the basic salary payable to him for a period of 3 (Three) months in lieu of such notice.
 - (b) Mr. Chopra shall be entitled to terminate the Agreement at any time by giving to the Company not less than 3 (Three) months' notice in writing in that regard, without assigning any reason to the Company.
9. The Company has entered into Confidentiality cum Non-Competition Agreement for the protection of its business interests, trade secrets and confidential information with Mr. Chopra in terms of the policy of the Company.
10. The terms and conditions of his appointment and remuneration may be varied, altered, increased, enhanced or widened from time to time by the Board, on a yearly basis based on performance, as it may in its discretion deem fit, within the maximum amount payable in accordance with the provisions of the Companies Act, 2013 read with Schedule V and The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, or any amendments made hereafter in this regard.
11. Mr. Vinay Chopra has given a declaration to the Company that he is not disqualified under Section 164 of the Act for appointment as a Director under the Act and has also given his consent to act as the Managing Director of the Company.
12. The draft agreement to be entered into between the Company and Mr. Chopra setting out the aforesaid terms of appointment and remuneration is available for inspection by the Members at the Registered Office during business hours on any working day of the Company till the date of the Annual General Meeting.



13. As per the provisions of Section 196, 203 read with Schedule V of the Act, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the terms of appointment and remuneration are required to be approved by the Members of the Company. The Board recommends the Ordinary Resolution set out at Items No.5 of the Notice for approval by the Members.

relatives are concerned or interested, in the Resolution set out in Item No. 5 of the Notice.

By Order of the Board of Directors

For De Nora India Limited

14. Except Mr. Vinay Chopra, none of the Directors and Key Managerial Personnel of the Company or their

Place: Kundaim, Goa
Dated: May 25, 2016

Jyoti Bandodkar
Company Secretary

Annexure

Details of Directors seeking appointment and re-appointment at the forthcoming AGM

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

I. Name Mr. Robert Scannell (DIN: 06818489)
Date of Birth 25.08.1959
Qualification Ph.D. in Electrochemistry
Expertise He is the Managing Director of De Nora Deutschland GmbH and the Regional Chief Officer of De Nora for EMEA, including the operational section of De Nora Deutschland and Industrie De Nora S.p.A Milano. He is a highly motivated executive with over 22 years Industrial Experience in the core businesses of the De Nora Group. He was previously the head of Global Technical Services within De Nora and held the position of Head of Research & Development within Heraeus Elektrochemie GmbH and a research position within Siemens in Erlangen Germany.

Other Directorship/ Committee Membership: Managing Director of De Nora Deutschland GmbH.

He is a member of the Audit Committee, Corporate Social Responsibility Committee and Nomination & Remuneration Committee of the Board of De Nora India Limited.

Details of Shareholding in the Company : NIL

Relationship between Directors inter-se : NIL

II. Name Mr. Vinay Chopra (DIN: 06543610)
Age 14.11.1969
Qualification Post Graduate in Management, Graduate in Industrial Engineering and a Diploma Holder in Mechanical Engineering
Expertise He has over 25 years of experience in Electro Chemical Industry and has been associated with De Nora since 1990. He joined De Nora India Limited at Rampur in the Production Department. In 2007, he moved to the Marketing Department as head of Oxygen products of De Nora (Cathodic Protection, Surface Finishing, Electro Chlorinators). Currently in charge of managing the affairs of the Company as the Manager/Director, he is responsible for the overall management and administration of the Company and has gained extensive experience in the electrochemical industry.

Other Directorship/ Committee Membership:

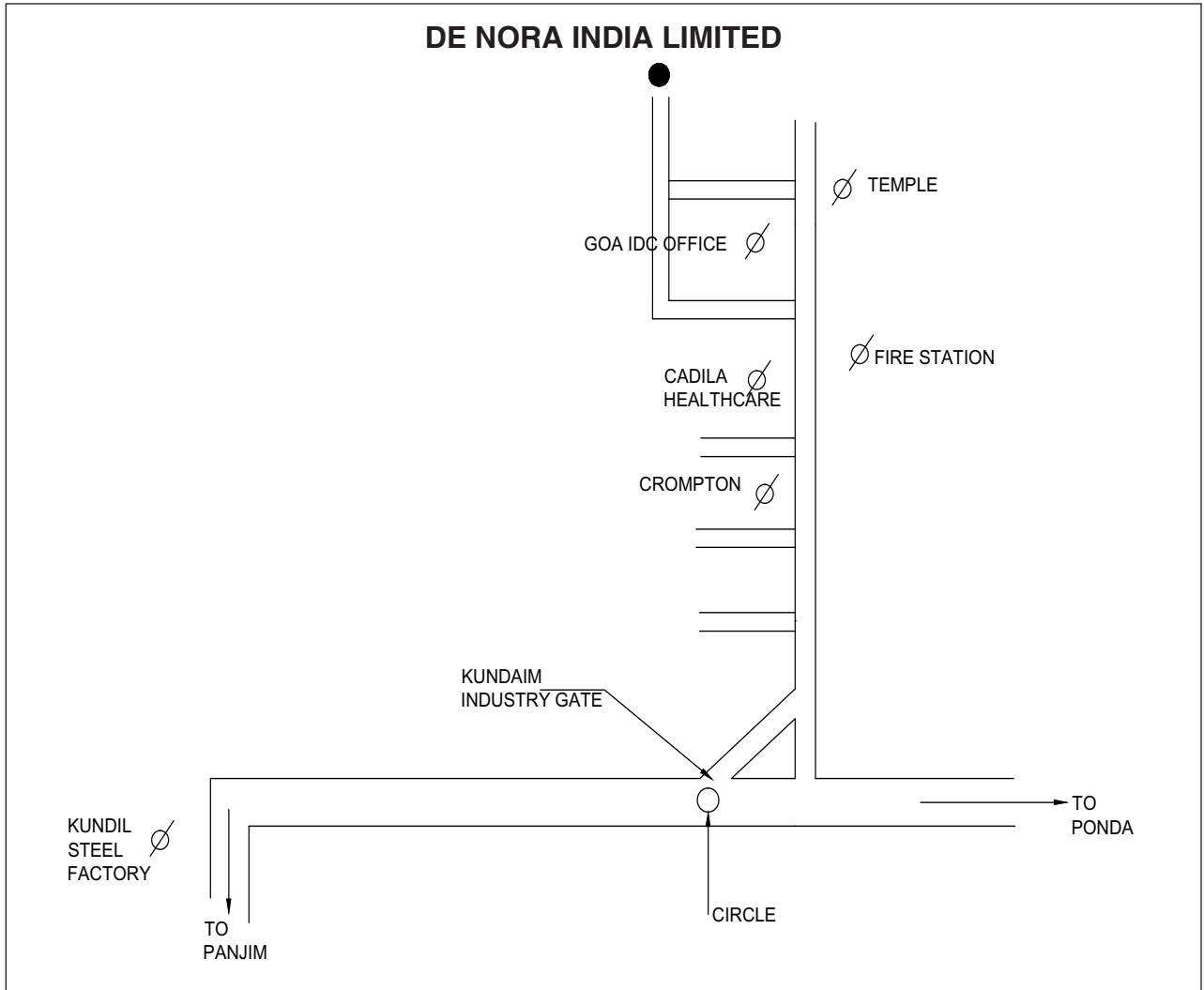
He is a member of the Corporate Social Responsibility Committee & Stakeholder's Relationship Committee of the Board of De Nora India Limited.

Details of Shareholding in the Company : NIL

Relationship between Directors inter-se : NIL



ROUTE MAP





DIRECTORS' REPORT

TO

THE MEMBERS OF DE NORA INDIA LIMITED

The Directors have pleasure in presenting the 27th Annual Report together with the Audited Accounts of your Company for the fifteen months financial period ended 31st March, 2016 (from 1st January, 2015 to 31st March 2016).

1. FINANCIAL RESULTS

(₹ in Millions)

Particulars	Fifteen months period ended on March 31, 2016*	Financial Year ended on December 31, 2014
Sales & Other Income (Net of duties)	546.04	327.66
Profit/(Loss) before Depreciation & Taxation	191.47	72.24
Provision for Depreciation	11.60	12.01
Provision for Taxation for current/prior years	60.14	16.62
Deferred Taxation (Liability)/Asset for current/prior years	(0.03)	1.08
Net Profit after Tax	119.76	42.53
Balance of Profit brought forward	204.80	175.84
Transfer To General Reserves	11.98	4.26
Proposed Dividend	21.23	7.96
Tax on Dividend	4.59	1.35
Balance of Profit carried forward to next year	286.74	204.80

* The Company extended its financial year to bring it in line with the requirements of the provisions of Section 2(41) of the Companies Act, 2013. The above financial period is of fifteen months from 1st January, 2015 to 31st March, 2016 and therefore the figures are not comparable with the previous year.

2. CHANGE IN FINANCIAL YEAR

In compliance with the provisions of Section 2(41) of the Companies Act, 2013 your Company at the Board Meeting held on February 19, 2015 decided to change its financial year from 'January-December' to 'April-March'. Accordingly, the last financial year of your Company was extended up to March 31, 2016 covering a period of fifteen months commencing from January 1, 2015. Your Company shall henceforth follow its Financial Year commencing from April 1 and ending on March 31, every year.

3. DIVIDEND

The Board of Directors of your Company have recommended a Dividend of 40% of the paid-up capital (i.e. ₹ 4/- per share) for the 15 months period ended 31st March, 2016 absorbing an amount of ₹ 25.83 Million of distributable profits, inclusive of tax on dividend.

The dividend, subject to the approval of Members at the Annual General Meeting on 21st September 2016, will be paid on or after 21st September, 2016 to the Members whose names appear in the Register of Members, as on the date of book closure, i.e. from Thursday, 15th September, 2016 to Wednesday, 21st September, 2016 (inclusive of both dates).

4. TRANSFER TO RESERVES

Your Company has transferred a sum of ₹ 11.98 Million to General Reserve as against the sum of ₹ 4.25 Million transferred to General Reserve last year.

5. STATE OF COMPANY'S AFFAIRS

Your Company continues to remain the market leader in the chlor alkali and cathodic protection systems business.

During the fifteen months period ended March 31, 2016 your Company generated a total Turnover of ₹ 508.38 Million as against the total Turnover of ₹ 305.21 during the last financial year ended on December 31, 2014, covering a period of twelve months. The Net Profit of your Company for the fifteen months period ended March 31, 2016 stood at ₹ 119.76 Million as against the Net Profit of ₹ 42.53 Million for the twelve months period ended December 31, 2014.

6. DIRECTORS

During the year Mr. Angelo Ferrari was appointed as the Additional Director with effect from 19.02.2015. His appointment as a Non-Executive Director was regularized in the 26th Annual General Meeting of the Company held on 29.06.2015.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Robert Scannell, Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible for re-appointment, offers himself for re-appointment. The Board recommends his re-appointment.

Mr. Vinay Chopra, Manager of the Company, whose tenure as Manager expires on 15th July 2016 has been appointed by the Board of Directors of the Company as the Managing Director of the Company for a period of 3 years w.e.f. 16th July 2016 to 15th July 2019, subject to the approval of the members at the ensuing Annual General Meeting of the Company and the approval of applicable statutory authorities, if any. The



Board recommends his appointment as the Managing Director of the Company for a period of 3 years w.e.f. 16th July 2016.

The above appointment and re-appointment forms part of the Notice of the Twenty-seventh Annual General Meeting and the relevant resolutions are recommended for your approval therein.

A brief resume of the Directors seeking appointment/re-appointment, the nature of their expertise in specific functional areas, names of Companies in which they hold directorships and the memberships of committees of the Board, their shareholdings, etc. are attached with the Notice of the Annual General Meeting of the Company.

Pursuant to Sub-section (7) of Section 149 of the Companies Act, 2013 read with the rules made thereunder, all the Independent Directors have given the declaration that they meet the criteria of independence as laid down in Sub-section (6) of Section 149 of the Act and Clause 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [‘Listing Regulations 2015’] and the Board at its meeting held on May 25, 2016 has duly taken note of the same.

7. CORPORATE GOVERNANCE

Your Company continues to be committed to good corporate governance aligned with the best corporate practices. It has complied with the corporate governance requirements under the Companies Act, 2013 and the various standards set out by Securities and Exchange Board of India and the Stock Exchange where it is listed. Pursuant to the provisions of the Listing Regulations 2015, Management Discussion and Analysis Report, Corporate Governance Report and Practicing Company Secretary’s Certificate regarding compliance with the Code of Corporate Governance are made part of this Annual Report.

8. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS & OUTGO

Conservation of Energy

Your Company has always been conscious of the need for conservation of energy and has been sensitive in making progress towards this end. Though the manufacturing activities of the Company involve consumption of energy, it is not of major significance and no additional investment is required to be made for reduction of energy consumption. However, efforts would be initiated by the Company to conserve energy in the best possible way in the future.

Research and Development

Your Company has an ongoing technical collaboration for Ion Exchange Membrane Electrolysers for chlor-

alkali industry, electrochlorinators for water treatment and cathodic protection (anti corrosion) systems. These agreements are performed through Industrie De Nora S.p.A. Your Company did not incur any expenditure on R&D during the year under review.

Technology absorption

The Company is in the process of acquiring the technology for repair/recoating of NAACL-ODC & HCL-ODC membrane technology from Industrie Denora S.p.A. Milan, Italy.

Foreign Exchange Earnings & Outgo

The information on foreign exchange earnings are detailed in Note No. 34 (a) and foreign exchange outgo is detailed in Note No. 34 (b) to the Accounts.

9. SUBSIDIARY COMPANIES

The Company does not have any subsidiary, associate company or a joint venture.

10. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by SEBI under Clause 49 of the erstwhile Equity Listing Agreement with the Stock Exchange, the Board of Directors had carried out an annual evaluation of its performance and that of its individual Directors.

The performance of the Board and individual Directors was evaluated by the Board seeking inputs from all the Directors. The Nomination and Remuneration Committee reviewed the performance of the individual Directors. A separate meeting of the Independent Directors was also held to review the performance of the Non-Independent Directors, performance of the Board as a whole and performance of the Chairperson of the Company taking into account the views of the Executive Directors and Non – Executive Directors. The Executive Directors and the Non-Executive Directors of the Board also evaluated the performance of the Independent Directors of the Company.

The criteria for performance evaluation of the Board included aspects like Board composition and structure, effectiveness of the Board processes, information and functioning etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings, their preparedness on the issues to be discussed at the meetings, contributions at the meeting, relationship with the peers and the Company Management etc. Further the chairperson was also evaluated on the key aspects of his/her role.

11. REMUNERATION POLICY

The Company follows a Policy on Remuneration of Directors and Senior Management Employees. The



policy is approved by the Nomination & Remuneration Committee and the Board. The main objective of the said policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, KMP and the Senior Management Employees. The remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. The details of the Remuneration Policy for the Directors and Senior Management Employees are given in the Corporate Governance Report.

12. **SELECTION OF NEW DIRECTORS AND BOARD MEMBERSHIP CRITERIA**

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. Characteristics expected of all Directors include independence, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner. The Company has also formulated a Policy on Board Diversity and Board Recruitment and Succession Policy.

13. **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm that:-

- in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

- they have, in the selection of the accounting policies, consulted the Statutory Auditors and have 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 period and of the profit of the Company for that period;

- they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- they have prepared the annual accounts on a going concern basis;

-they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and were operating effectively.

14. **STATUTORY AUDITOR**

M/s B S R & Associates LLP Chartered Accountants, Mumbai (ICAI Firm Registration No. 116231W/W-100024), have been appointed as the statutory auditors of the Company to hold office from the conclusion of the 26th Annual General Meeting held on 29th June 2015 until the conclusion of the 29th Annual General Meeting of the Company to be held in the calendar year 2018, subject to ratification of the appointment by the members at the respective AGMs to be held in the year 2016 and 2017 respectively.

Your Company has received a certificate confirming their eligibility to be re-appointed as Auditors of the Company in terms of the provisions of Section 139(1) of the Companies Act, 2013 and Rules framed thereunder. The Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the provisions of Clause 33 of the newly notified Listing Regulations 2015.

Accordingly, ratification of the appointment of the Statutory Auditors is being sought from the Members of the Company at this AGM for the Financial Year 2016-17.

Further, the report of the Statutory Auditors alongwith the notes to the Schedules for the 15 months period is enclosed to this report. The observations made in the Auditor's Report are self-explanatory and therefore do not call for any further comments.

The Auditor's Report does not contain any qualification, reservation or adverse remark.

15. **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. Sadashiv. Shet, a Practising Company Secretary, to undertake the Secretarial Audit of the Company. The Secretarial Auditors' Report, in the prescribed format, for the fifteen months period ended March 31, 2016 is annexed to this Directors' Report as **Annexure 1** and forms part of the Annual Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

16. **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In compliance with Section 135 of the Companies Act, 2013 and Rules framed thereunder, your Board has constituted a Corporate Social Responsibility (CSR) Committee. Based on the Recommendation of the



CSR Committee a Corporate Social Responsibility Policy (CSR Policy) of the Company has also been adopted. The CSR Policy of the Company is available on the website of the Company at www.denoraindia.com and can be viewed using the below link:

<http://india.denora.com/company/shareholder-information.html>.

Your Company has initiated various CSR programs during the financial Period as per the CSR Policy adopted by the Board and shall monitor the same through its CSR Committee, which meets periodically. A brief outline of the same is set out in **Annexure 2** of this report in the format prescribed in the Companies (CSR Policy) Rules, 2014.

17. BOARD MEETINGS

During the period under review, five Board Meetings were convened and held. The details of the composition of the Board and its committees and of the meetings held, attendance of the Directors at such meetings and other relevant details are provided in the Corporate Governance Report.

Pursuant to the provisions of Part VII of Schedule IV of the Companies Act, 2013 read with clause 25(3) of 'Listing Regulations 2015', a separate meeting of the Independent Directors was held on April 21, 2015 for transacting the business enumerated under the said provisions.

18. COMPOSITION OF AUDIT COMMITTEE

The Board has constituted the Audit Committee which comprises of Mr. M. A. Sundaram as the Chairman and Mr. Robert Scannell and Mrs. Sarita D'Souza as the members. More details on the Committee are given in the Corporate Governance Report.

19. PARTICULARS OF EMPLOYEES

The disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to the Report as **Annexure 3**.

The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, is not provided since there were no employees who were drawing remuneration more than ₹ 5 lakhs per month during whole or part of the 15 months financial period under review.

20. FIXED DEPOSITS

Your Company has not invited or accepted any fixed deposits from the members/public under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the financial period under review.

21. RISK MANAGEMENT

Risk management has always been an integral part of the corporate strategy. Your Company has laid down a well-defined risk management mechanism covering the risk mapping, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor both business and non-business risks. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a well-defined framework. The risk management framework is discussed in detail in the Management Discussion and Analysis report forming part of this Annual Report.

22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There were no significant or material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operation.

23. EXTRACT OF ANNUAL RETURN

As mandated by Section 92 of the Companies Act, 2013 read with the rules made thereunder, extract of the Annual Report as on 31st March 2016 in Form No. MGT – 9 is enclosed as **Annexure 4** to this Report.

24. WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has formulated a policy to provide adequate safeguards against victimization of employee(s) and Director(s) who report any violation of the Code of Conduct or any unethical behaviour, actual or suspected fraud or improper practice to the Top Management and Audit Committee and to prohibit managerial personnel from taking adverse personnel action against employees/Directors as a result of the employees'/Director's good faith disclosure of alleged wrongful conduct to the Audit Committee on a matter of public concern. It is affirmed that no personnel/Director has been denied access to the Audit Committee. The details of the establishment of such policy are disclosed on the Company's website www.denoraindia.com.

25. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the fifteen months period were on an arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of



the Companies Act, 2013 and the Listing Regulations 2015. The same are placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

Further, there are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel etc. which may have a potential conflict with the interest of the Company at large or which warrants the approval of the Members of the Company during the period under review. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with related parties are provided in the Company's financial statements in accordance with the Accounting Standards.

The Company has also framed a policy on dealing with the related parties and has disclosed the same on the Company's website at www.denoraindia.com.

26. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments in terms of Section 186 of the Companies Act, 2013 for the 15 months financial period under review have been provided in the Notes to the Financial Statement which forms part of this Annual Report.

27. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to the financial statements and no material reportable weakness was observed in the system. Further, the Company has in place adequate financial controls commensurate with the size and nature of its operations.

28. CHANGE IN THE REGISTRAR & TRANSFER AGENT OF THE COMPANY

The Securities and Exchange Board of India vide its Interim Order No. WTM/RKA/MIRSD2/41/2016 dated 22nd March 2016 had restrained the Company's Registrar and Share Transfer Agent ('R&STA') i.e. M/s. Sharepro Services (India) Private Limited from dealing with the securities market due to some

irregularities detected in the conduct of its activities as the Registrar and Share Transfer Agent. Further, vide the above order the current clientele of M/s. Sharepro Services (India) Private Limited were advised to carry out/switchover their activities related to the R&STA, either in house or through another R&STA registered with SEBI.

In addition to the above, the Companies were also directed to conduct a thorough audit of the records and systems of M/s. Sharepro Services (India) Private Limited with respect to the dividends paid and transfer of securities to determine whether dividends have been paid to actual/beneficial holders and whether securities have been transferred as per the provisions of the law for the last 10 years. The audit has to be completed by the Companies within a period of three months from the date of the order i.e. 22nd March 2016 and thereafter a report shall be submitted to SEBI by the Companies in that regard. Further, within a period of six months from the date of the order, the Companies shall take appropriate action, in cases where violations are observed, in accordance with the provisions of law and inform SEBI accordingly.

In compliance with the above SEBI mandate, the Company has changed its Registrar and Transfer Agent and has appointed M/s. Bigshare Services Private Limited, a SEBI registered Category – I Registrar & Share Transfer Agent (SEBI Registration No. INR000001385) as the new R&STA of the Company with effect from June 1, 2016.

29. ACKNOWLEDGEMENT

The Directors wish to convey their appreciation to all of the Company's employees for their enormous personal efforts as well as their collective contribution to the Company's performance. The Directors would also like to thank the shareholders, customers, dealers, suppliers, bankers, employee unions, regulatory & government authorities, stock exchanges and all the other business associates for the continuous support given by them to the Company and their confidence in its management.

**For and On behalf of the Board of Directors
For De Nora India Limited**

Place: Kundaim, Goa
Dated: May 25, 2016

M. A. Sundaram
Chairman
DIN: 00144607



ANNEXURE-1

SECRETARIAL AUDIT REPORT

FORM MR-3

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

FOR THE FINANCIAL PERIOD FROM 1ST JANUARY, 2015 TO 31ST MARCH, 2016

To,
The Members,
DE NORA INDIA LIMITED
Plot Nos. 184, 185 & 189,
Kundaim Industrial Estate,
Kundaim – Goa, 403 110

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

Based on my verification of **DE NORA INDIA LIMITED'S** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial period from **01st January, 2015 to 31st March, 2016 (15 months)** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial period from **01st January, 2015 to 31st March, 2016 (15 months)** and according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- I. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - II. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - III. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - IV. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;**Not applicable**
 - V. The Securities and Exchange Board of India (Issue and Listing of Debt Securities), 2008;**Not applicable**
 - VI. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - VII. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - VIII. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;**Not applicable**
 - IX. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ;**Not applicable.**
- (vi) The other laws applicable to the Company as per the representations made by the Management.

I further report that, based on the information provided by the Company, its officers, authorised representatives during the conduct of the audit and also on the review of yearly compliance report by the respective departmental heads/Company Secretary / Managing Director taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour laws, Environment laws and other legislations.

I further report that the Compliance by the Company of applicable financial laws like Direct & Indirect tax laws, Service tax and others detailed under Tax Legislations, I have relied on the representations made by the Company, its Officers and Reports issued by the Statutory Auditors.

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 the Company with Stock Exchange(s);
- (iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (With effect from 01st December, 2015).

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

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

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

As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

I further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

Place: Panaji, Goa
Date: May 25, 2016

Sadashiv V Shet
Practicing Company Secretary
C P No.: 2540
FCS No.: 2477



ANNEXURE-2

ANNUAL REPORT ON CSR ACTIVITIES

1. A Brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.

De Nora India Limited strives to be a socially responsible Company and strongly believes in development which is beneficial to the society at large. As a corporate citizen, De Nora is committed to providing support to the disadvantaged, keeping the environment clean and safe for the society by adhering to the best industrial practices and adopting best technologies, and so on. It is the Company's intent to make a positive contribution to the society in which Company lives and operates.

The objective of the policy is to set guiding principles for carrying out CSR activities by the Company and also to set up the process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

2. The composition of the CSR Committee.

The current members of the CSR Committee of the Board are:

- a) Mr. M.A.Sundaram - Chairman/Non-Executive Independent Director
- b) Mrs. Sarita D'Souza - Non Executive Independent Director
- c) Mr. Robert Scannell - Non-Executive Director
- d) Mr. Vinay Chopra - Executive Director

3. Average Net Profit of the Company for last three financial years: Rs. 1073.49 Lakhs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Rs. 21.47 Lakhs

5. Details of CSR spent during the financial year:

- a) Total amount spent for the financial year: Rs. 7.04 Lakhs
- b) Amount unspent: Rs. 14.43 Lakhs
- c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the activity covered	Projects or programs 1)Local area or other 2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub heads: (1)Direct Expenditure on projects or program (2)Over-heads	Cumulative Expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Support to Schools for Mentally & physically disabled children	Promoting education of differently abled children	North Goa	5,00,000	3,89,021	3,89,021	Direct
2	Support to Schools for Mentally & physically disabled children	Promoting education and enhancing vocational skills of differently abled children	North Goa	2,00,000	1,14,840	1,14,840	Direct
3	Support to Schools for Mentally & physically disabled children	Promoting education and enhancing vocational skills of differently abled children	North Goa	5,00,000	1,76,378	1,76,378	Direct



4	Support to Schools for Mentally & physically disabled children	Promoting education of differently abled children	North Goa	2,00,000	24,200	24,200	Direct
	TOTAL			14,00,000	7,04,439	7,04,439	

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

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives of the Company. The identification of suitable projects for carrying the activities prescribed under the CSR Policy of the Company with preference to local areas is an ongoing process and the Company could not fully utilize the amount required to be spent in the financial year 2015-16. The Company is committed to its CSR spending in the coming years supplemented by its focus towards sustainable development and responsible working.

7. Responsibility statement of the CSR Committee.

The CSR Committee of the Company's Board states that the implementation and monitoring of CSR policy, is in compliance with the CSR objectives and Policy of the Company.

S/d

Mr. VINAY CHOPRA
Executive Director
(DIN: 06543610)

Place: Kundaim, Goa
Date: May 25, 2016

S/d

Mr. M. A. Sundaram
Non-Executive, Independent Director
(Chairman, CSR Committee)
(DIN: 00144607)



ANNEXURE-3

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. **Ratio of the remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the Financial Period 01.01.2015-31.03.2016 and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the Financial Period 01.01.2015-31.03.2016**

S r. No.	Name of Director	Designation	Remuneration (₹ in Crores)	Ratio of Directors remuneration to median remuneration	% increase in the remuneration
I Executive Director					
1.	Mr. Vinay Chopra	Executive Director	0.23	1:6.94	10
II Non-Executive Directors					
1.	Mr. Robert Scannell	Non – Executive Director	-	NA*	-
2.	Mr. Angelo Ferrari	Non – Executive Director	-	NA*	-
3.	Mr. M. A. Sundaram	Independent Director	-	NA*	-
4.	Mr. Krishan Khanna	Non – Executive Director	-	NA*	-
5.	Mrs. Sarita D'Souza	Independent Director	-	NA*	-
III Key Managerial Personnel					
1.	Mr. Deepak Nagvekar	Chief Financial Officer	0.17	1:5.15	13
2.	Ms. Jyoti Bandodkar	Company Secretary	0.05	1:1.59	11

* The Independent Directors and the Non-Executive Directors do not receive any remuneration except sitting fees for attending Board/Committee and Shareholder Meetings.

- a. Median remuneration of employees for the financial period is Rs. 3.32 lacs.
- b. The percentage increase in the median remuneration of employees in the financial period: 12%
- c. The number of permanent employees on the rolls of the Company as on March 31, 2016: 79

2. **Explanation on the relationship between average increase in remuneration and Company performance:**

On an average, employees received an annual increase of 12%. The increase in remuneration of employees is in line with the market trends and is a function of performance benchmarks attained by the individual as well as the Company. Further, the average increase in the remuneration is also guided by various factors such as inflation, normal salary revision, talent retention and other external factors.

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

Aggregate remuneration of KMP in the Financial Period (01.01.2015 – 31.03.2016) (₹ in Crores)	0.45
Total Revenue (₹ in Crores)	54.60
Remuneration of KMPs (as % of Total Revenue)	0.82
Profit Before Tax (₹ in Crores)	17.99
Remuneration of KMPs (as % of profit before tax)	2.5

4. **Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial period 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;**



Sr. No.	Description	Amount
1.	Market Capitalisation variation (₹ in Crores)	
	Market Capitalisation at 31 st March 2016	167.94
	Market Capitalisation at 31 st December 2014	76.74
	Variation in Market Capitalisation (%)	118
2.	Price to Earnings Ratio [PE]	
	PE as at 31 st March, 2016 (Market Price/EPS)	14.02
	PE as at 31 st December, 2014 (Market Price/EPS)	18.05
	Variation in PE (%)	(22.32)
3.	% Increase/Decrease from last Public Offer	
	Rights Issue on 05.08.1992 (16,25,000 no. of equity shares)	40.00
	Market price as at 31 st March 2016	316.35
	% increase from last Public Offer	690

- 5. 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;**

Average percentile increase in the salaries of employees other than Managerial Personnel is 10% while percentile increase in the Managerial Remuneration is also 10%. This was in line with the recommendation of the Nomination & Remuneration Committee and as per the industry benchmark.

- 6. Comparison of remuneration of each KMP against the performance of the Company**

The remuneration of each of the Key Managerial Personnel is based on their experience, role, responsibility and expertise and in accordance with the Remuneration Policy of the Company.

Sr. No.	Particulars of remuneration	Key Managerial Personnel		
		Mr. Vinay Chopra ED	Mr. Deepak Nagvekar CFO	Ms. Jyoti Bhandodkar CS
1.	Remuneration in Financial Period 01.01.2015 – 31.03.2016 (₹ in crores)	0.23	0.17	0.05
2.	Total Revenue (₹ in crores)	54.60		
3.	Remuneration (as % of total revenue)	0.42	0.31	0.10
4.	Profit/(Loss) Before Tax (₹ in crores)	17.99		
5.	Remuneration (as % of profit before tax)	1.28	0.94	0.28

- 7. The key parameters for any variable component of remuneration availed by the Directors:**

The key parameters for the variable component of remuneration availed by the Directors are considered by the Board of Directors based on the recommendation of the Nomination & Remuneration Committee as per the Nomination & Remuneration Policy.

- 8. The ratio of 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:**

Not applicable, since no employee of the Company receives remuneration in excess of the highest paid Director, i.e. the Executive Director.

- 9. Affirmation that the remuneration is as per the remuneration policy of the Company**

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

**For and On behalf of the Board of Directors
For De Nora India Limited**

Place: Kundaim, Goa
Dated: May 25, 2016

M. A. Sundaram
Chairman
(DIN: 00144607)



ANNEXURE-4

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

For the fifteen months period ended March 31, 2016

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

I. REGISTRATION AND OTHER DETAILS:

i	CIN:	L31200GA1993PLC001335
ii	Registration Date:	07.06.1989
iii	Name of the Company :	DE NORA INDIA LIMITED
iv	Category/Sub-Category of the Company:	Public Company/ Limited by Shares
v	Address of the Registered office and contact details:	Plot. No. 184, 185 & 189 Kundaim Industrial Estate, Kundaim-403115, Goa, India. 0832-3981100 0832-3981101 denoraindia@denora.com www.denoraindia.com
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent(RTA)	Bigshare Services Private Limited E – 2 & 3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri(E), Mumbai-400072 022 4043 0200 022 2847 5207 investor@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main Products/Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Titanium metal anodes and Cathodes	81089090	77
2	Electrochlorinators	84212190	7
3	Cathodic Protection (anti corrosion) Systems	81089090	16

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	Oronzio De Nora International B. V. Prins Bernhardplein 200, 1097 JB Amsterdam, Netherlands	Not Applicable	Holding Company	53.68	2(46)



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

i) Category-wise Share Holding

	Category of Share holders	No. of Shares held at the beginning of the period i.e. 01.01.2015				No. of Shares held at the end of the period i.e. 31.03.2016				% Change during the period
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
	(1) Indian									
	a. Individual/HUF	180732	0	180732	3.40	180732	0	180732	3.40	0.00
	b. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
	c. State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
	d. Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
	e. Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	f. Any Other...	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(1):	180732	0	180732	3.40	180732	0	180732	3.40	0.00
	(2) Foreign									
	a. NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	b. Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	c. Bodies Corporate	2849500	0	2849500	53.68	2849500	0	2849500	53.68	0.00
	d. Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	e. Any Other...	0	0	0	0.00	0	0	0	0	0.00
	Sub-Total (A)(2):	2849500	0	2849500	53.68	2849500	0	2849500	53.68	0.00
	Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	3030232	0	3030232	57.08	3030232	0	3030232	57.08	0.00
B.	Public Share holding									
	(1) Institutions									
	a. Mutual Funds/UTI	0	0	0	0.00					
	b. Banks/FI	0	100	100	0.00	0	100	100	0.00	0.00
	c. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
	d. State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
	e. Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	f. Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
	g. FIs	0	7460	7460	0.14	0	7460	7460	0.14	0.00
	h. Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	i. Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(1):	0	7560	7560	0.14	0	7560	7560	0.14	0.00
	(2) Non-Institutions									
	a. Bodies Corporate	199701	1257	200958	3.79	177114	1257	178371	3.36	-0.43
	i) Indian									
	ii) Overseas									



b. Individuals										
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	1423805	130744	1554549	29.28	i) Individual Shareholders holding nominal share capital upto ₹ 2 lakh	1473520	126759	1600279	30.15	-
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	447960	0	447960	8.44	ii) Individual Shareholders holding nominal share capital in excess of ₹ 2 lakh	432286	0	432286	8.15	-
c. NBFC						500	0	500	0.01	-
d. Others (Specify):	67275	100	67375	1.27		59306	100	59406	1.12	0.15
Sub-Total (B) (2):	2138741	132101	2270842	42.78		2142726	128116	2270842	42.78	0.00
Total Public Shareholding (B) = (B)(1)+(B)(2)	2138741	139661	2278402	42.92		2142726	135676	2278402	42.92	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00		0	0	0.00	0.00	0.00
Grand Total (A+B+C)	5168973	139661	5308634	100.00		5172958	135676	5308634	100.00	0.00

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the period i.e. 01.01.2015			Shareholding at the end of the period i.e. 31.03.2016			% change in share holding during the period
		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	Oronzio De Nora International B. V.	2849500	53.68	0	2849500	53.68	0	0
2	Bunty Khanna	153762	2.90	0	153762	2.90	0	0
3	Madhu Khanna	26970	0.51	0	26970	0.51	0	0
	Total	3030232	57.08	0	3030232	57.08	0	0

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

	Shareholding at the beginning of the period		Cumulative Shareholding during the period	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the period	3030232	57.08	3030232	57.08
Date wise Increase / Decrease in Promoters Shareholding during the period specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	NO INCREASE/DECREASE			
At the end of the period	3030232	57.08	3030232	57.08



(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of the Shareholder	Date	Change in the shareholdings (-) denotes sale	Shareholding at the beginning of the period as on 01.01.2015		Cumulative Shareholding at the end of the financial period as on 31.03.2016	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	LALAN A. KAPADIA	01/01/2015		75000	1.41		
		31/03/2016				75000	1.41
2.	BHARAT AJAY KAPADIA	01/01/2015		75000	1.41		
		31/03/2016				75000	1.41
3.	ZAKI ABBAS NASSER	01/01/2015		40000	0.75		
		27/02/2015	-40000				
		31/03/2016				0	0
4.	AJITSINGH GOKALDAS KHIMJI	01/01/2015		35000	0.66		
		31/03/2016				35000	0.66
5.	VIJAY GUPTA (HUF)	01/01/2015		30537	0.57		
		06/02/2015	500				
		20/02/2015	1000				
		27/02/2015	1000				
		17/07/2015	500				
		25/09/2015	1292				
6.	ADROIT FIN SER PVT LTD	01/01/2015		25853	0.49		
		09/01/2015	25				
		30/01/2015	25				
		06/02/2015	25				
		31/03/2015	-100				
		10/04/2015	50				
		17/04/2015	500				
		24/04/2015	223				
		01/05/2015	-624				
		08/05/2015	117				
		15/05/2015	-115				
		22/05/2015	-1				
		29/05/2015	1027				
		05/06/2015	219				
		12/06/2015	-246				
		19/06/2015	228				
		26/06/2015	-25				
30/06/2015	-12679						
10/07/2015	-228						
17/07/2015	99						
24/07/2015	904						
31/07/2015	-1003						



		07/08/2015	-30				
		14/08/2015	123				
		21/08/2015	-83				
		04/09/2015	69				
		11/09/2015	-69				
		09/10/2015	-14234				
		30/10/2015	-25				
		06/11/2015	115				
		13/11/2015	25				
		20/11/2015	-20				
		27/11/2015	-5				
		04/12/2015	200				
		11/12/2015	1				
		18/12/2015	-211				
		25/12/2015	-5				
		31/12/2015	190				
		08/01/2016	-315				
		31/03/2016				0	0
7.	JAIN PAL JAIN	01/01/2015		25524	0.48		
		30/06/2015	7899				
		07/08/2015	-2000				
		20/11/2015	-3000				
		18/12/2015	-1000				
		08/01/2016	-5000				
		15/01/2016	-1000				
		31/03/2016				21423	0.40
8.	REKHA HARSHADRAY KAPADIA	01/01/2015		25000	0.47		
		06/03/2015	-25000				
		31/03/2016				0	0
9.	PRITI UMESH KHIMJI	01/01/2015		24003	0.45		
		15/01/2016	-503				
		31/03/2016				23500	0.44
10.	KAMLESH RAMNIKLAL MEHTA	01/01/2015		22200	0.42		
		10/07/2015	-700				
		31/03/2016				21500	0.41
11.	VIJAY PRAKASH GUPTA	01/01/2015		21962	0.41		
		06/02/2015	500				
		20/02/2015	1000				
		27/02/2015	1000				
		20/11/2015	3725				
		31/03/2016				28187	0.53
12.	MANISHKUMAR SUMATILAL MEHTA	01/01/2015		0	0		
		02/01/2015	9174				
		06/03/2015	16014				



		10/07/2015	-5000				
		17/07/2015	-538				
		24/07/2015	-2503				
		07/08/2015	-1647				
		06/11/2015	-4500				
		13/11/2015	-1768				
		25/12/2015	-8232				
		31/12/2015	-1000				
		31/03/2016				0	0
13.	NITIN SAXENA	01/01/2015		0	0		
		20/02/2015	2500				
		27/02/2015	9263				
		06/03/2015	2732				
		13/03/2015	3494				
		20/03/2015	4061				
		27/03/2015	1100				
		31/03/2015	1281				
		10/04/2015	75				
		17/04/2015	1680				
		24/04/2015	6564				
		01/05/2015	3044				
		08/05/2015	3252				
		15/05/2015	594				
		05/06/2015	11635				
		12/06/2015	655				
		19/06/2015	500				
		26/06/2015	319				
		17/07/2015	5425				
		24/07/2015	886				
		31/07/2015	60				
		14/08/2015	504				
		21/08/2015	1443				
		28/08/2015	2586				
		04/09/2015	5				
		18/09/2015	150				
		25/09/2015	525				
		30/09/2015	1033				
		09/10/2015	1913				
		16/10/2015	3008				
		23/10/2015	1850				
		30/10/2015	50				
		06/11/2015	100				
		04/12/2015	458				
		11/12/2015	842				



		18/12/2015	150				
		26/02/2016	-73737				
		31/03/2016				0	0
14.	JAINAM SHARE CONSULTANTS PVT. LTD	01/01/2015		0	0		
		02/01/2015	1322				
		09/01/2015	80				
		16/01/2015	-80				
		23/01/2015	500				
		06/02/2015	70				
		13/02/2015	50				
		20/02/2015	-70				
		27/02/2015	70				
		13/03/2015	950				
		27/03/2015	100				
		31/03/2015	-500				
		17/04/2015	25				
		24/04/2015	55				
		08/05/2015	100				
		15/05/2015	-50				
		22/05/2015	-402				
		10/07/2015	1960				
		17/07/2015	110				
		24/07/2015	-2185				
		31/07/2015	-100				
		07/08/2015	100				
		14/08/2015	100				
		21/08/2015	-50				
		04/09/2015	-760				
		11/09/2015	50				
		30/10/2015	-10				
		06/11/2015	25145				
		13/11/2015	30				
		20/11/2015	185				
		27/11/2015	-115				
		11/12/2015	-100				
		18/12/2015	-24700				
		25/12/2015	-275				
		31/12/2015	-200				
		08/01/2016	65				
		15/01/2016	35				
		29/01/2016	29				
		05/02/2016	400				
		12/02/2016	534				
		19/02/2016	27				



		11/03/2016	460				
		18/03/2016	-5				
		31/03/2016				2950	0.05
15.	ANUPAM SAXENA	01/01/2015		0	0		
		20/02/2015	1200				
		24/07/2015	400				
		28/08/2015	500				
		04/09/2015	335				
		11/09/2015	1441				
		18/09/2015	4857				
		25/09/2015	475				
		30/09/2015	300				
		09/10/2015	100				
		30/10/2015	500				
		06/11/2015	3322				
		13/11/2015	3396				
		20/11/2015	7201				
		27/11/2015	377				
		04/12/2015	5				
		11/12/2015	10				
		31/03/2016				24419	0.46
16.	NITIN SAXENA	01/01/2015		0	0		
		19/02/2016	100				
		26/02/2016	73737				
		11/03/2016	5				
		18/03/2016	486				
		25/03/2016	3256				
		31/03/2016	4844				
		31/03/2016				82428	1.55
17.	REKHA HARSHADRAY KAPADIA	01/01/2015		0	0		
		06/03/2015	25000				
		31/03/2016				25000	0.47

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director/Key Managerial Personnel	Shareholding at the beginning of the period as on 01.01.2015		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the period	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Jyoti Bandodkar – Company Secretary	1	0.00	31.03.2016	At year end	0	0	1	0.00

Other than Ms. Jyoti Bandodkar, no other Director and Key Managerial Personnel holds any share in the Company during the period from January 01, 2015 to March 31, 2016.



V. INDEBTEDNESS

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

(₹ in Millions)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial period	0	0	0	0
a. Principal Amount	0	0	0	0
b. Interest due but not paid	0	0	0	0
c. Interest accrued but not due	0	0	0	0
Total (a+b+c)	0	0	0	0
Change in Indebtedness during the financial period	0	0	0	0
Addition	0	0	0	0
Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial period	0	0	0	0
a. Principal Amount	0	0	0	0
b. Interest due but not paid	0	0	0	0
c. Interest accrued but not due	0	0	0	0
Total (a+b+c)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. Vinay Chopra – Manager/WTD	
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	10,27,425	10,27,425
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	9,31,529	9,31,529
	(c) Profits in lieu of salary u/s 17(3) of the Income-Tax Act, 1961	-	-
2.	Stock Options	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others, specify....	3,59,057	3,59,057
5.	Others, specify....	2,77,395	2,77,395
	Total	25,95,406	25,95,406

B. Remuneration to other Directors:

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. M. A. Sundaram	Mrs. Sarita D'Souza	
1.	Independent Directors			
	☐ Fee for attending Board/ Committee meetings	1,05,000	1,05,000	2,10,000
	☐ Commission	Nil	Nil	Nil
	☐ Others, please specify	Nil	Nil	Nil



	Total (1)	1,05,000	1,05,000		2,10,000
2.	Other Non-Executive Directors	Mr. Angelo Ferrari	Mr. Robert Scannell	Mr. Krishan Khanna	
	☐Fee for attending Board/ Committee meetings	5,000	70,000	15,000	90,000
	☐Commission	Nil	Nil	Nil	Nil
	☐Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	5,000	70,000	15,000	90,000
	Total (B) = (1+2)				3,00,000
	Total Managerial Remuneration				NIL
	Overall Ceiling as per the Act	Not applicable as only sitting fees paid			

C . Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Deepak Nagvekar - CFO	Ms. Jyoti Bandodkar - CS	
1.	Gross Salary	17,11,311	5,28,040	22,39,351
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income-Tax Act, 1961	-	-	-
2.	Stock Options	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify....	-	-	-
5.	Others, specify....	-	-	-
	Total	17,11,311	5,28,040	22,39,351

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for the breach of any sections of the Companies Act against the Company or its Directors or other officers in default, during the financial period.

**For and On behalf of the Board of Directors
For De Nora India Limited**

Place: Kundaim, Goa
Dated: May 25, 2016

M. A. Sundaram
Chairman
(DIN: 00144607)



MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

De Nora India Limited (DNIL) is engaged in the manufacture and coating of anode and cathode for electrolytic process for several industrial applications like for instance in the Chlor-alkali industry, water, pulp and paper manufacturing, surface finishing and plating industries and cathodic protection systems of steel structure and of cement. All these applications are developing starting from the expertise of its main shareholder in electrolytic processes and in catalytic coatings.

DNIL was set up with technical and financial collaboration of “Gruppo De Nora” of Italy, a world market leader in this segment. The Company’s core business lies in Chlor-alkali sector, which is highly cyclic in nature. In order to reduce the fluctuation of turnover, the Company expanded its activities in other markets, introducing and then manufacturing in its factory important technologies such for instance Cathodic Protection Systems, Electrochlorination Systems, and Platinized Titanium Anodes for surface finish application. Over the years DNIL established itself as a recognized leader of the industries it serves with high standard of quality of its products and services.

Recoating of anode and cathode is a specialised process, formulation of which involves use of noble metals. These formulations and processes are proprietary and because of its affiliation to “Gruppo De Nora”, the Company has the authority to use these formulations and processes, giving it the prominent market share in India. DNIL not only provides support to caustic soda industry customers in India but is also equipped to give technical support to all other technology suppliers of electrolytic processes sector.

OPPORTUNITIES AND THREATS

The Goa factory is equipped with all the necessary equipment and facilities to meet the demands of the Chlor-alkali industry. The Company continues to remain the market leader in the Chlor-alkali and Cathodic Protection Systems business. The main activity of the Company is dependent on recoating of electrode for membrane cell electrolyzers in Chlor-alkali plant, which is cyclic in nature because the life of the coating lasts for 6 to 8 years, now since plants have become older the cycle is flating, resulting in lower risks.

The income from recoating business contributes a major share in Company’s total income. The mercury cell plants have gradually been converted to membrane cell plants. Your Company does not get the business of Anode/Cathodes coating at this conversion stage since these are inbuilt in the new cells and the complete set of cell elements are imported by the customers. Your Company is not in the business of manufacturing membrane cell elements and the recoating business in respect of these anode/cathodes will happen only after 8 years.

ELECTROCHEMICAL PRODUCTS PERFORMANCE

The Company registered a turnover of ₹ 508.38 million during the year from the sale of its products.

OUTLOOK

The Company is looking forward to maintain its position of market leader in membrane recoating activity and cathodic protection systems. The Directors are hopeful that ongoing efforts made in the field of chlorate cells fabrication would pave way for the future growth of the Company.

DNIL would be looking forward to expand market presence with De Nora Water Technology products ex. sea water electro chlorination.

RISKS & CONCERNS

Every business is marked by a variety of risks. Your Company identifies and assesses major risks associated with its business and correspondingly undertakes strategic measures to minimize losses and maximize realisations. A key risk report indicating the key risks and controls in place to mitigate the risks are presented to the Audit Committee on a periodical basis. In addition to the business risks, some of the major risks and concerns are summarized as under:

Excessive dependency on Chlor-alkali business increases risks and the Company is taking steps to minimize this risk by developing the market of its other products as well as introducing new products/technologies in the market. The electro chlorination business is hampered by severe price competition due to entry of various small competitors having significant influence in their limited area of operation. The electrochlorination business requires aggressive pricing and several distributors in the territory.

Further, your Company operates in a regulatory environment and is required to abide by the laws and regulations of the Country it operates in. Any change in the laws and regulations governing the electrochemical or Chlor-alkali industry may affect the business and financial performance of your Company.

The major area of concern for the Company is the impact in contribution caused by the uncontrollable changes in the raw material cost. The Company tries to minimise the risk by incorporating Price Variance Clause in the Orders. In the event the Company is not able to enforce the Price Variance Clause in the Orders, the secondary option is placing the order for full quantity of noble metals soon after signing of each big order, even if the project execution is of a longer duration.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company conducts its business with integrity and high standards of ethical behaviour, and in compliance with the laws and regulations that govern its business. It has an effective and adequate system of internal control, commensurate with the size and nature of the business of the Company. Checks and balances are in place to ensure



the reliability and accuracy of accounting data. The systems are aimed at ensuring adherence to policies. A system of validation, approval and authorization, physical safeguards and access restrictions are given utmost importance. The internal control systems also ensure that the assets and interest of the Company are well protected.

The internal control is supplemented by Internal Audit conducted by Independent Auditors on a quarterly basis. The reports of the Internal Auditors, their findings, recommendations and the compliance thereof, are reviewed by the Management and the Audit Committee of the Board of Directors. The Audit Committee also reviews the adequacy and effectiveness of the implementation of audit recommendations including those relating to strengthening the Company's risk management systems.

Compliance with laws and regulations is also monitored through a well laid down framework which requires individual functionaries to confirm and report statutory compliances on all laws and regulations concerning their respective functions and which gets integrated with the overall compliance reporting on all laws and regulations for the purposes of review and monitoring by the Audit Committee.

An ongoing programme for the reinforcement of the De Nora Code of Conduct is prevalent in the Organisation. The Code covers integrity in fair dealings by or on behalf of the Company, ethical conduct, regulatory compliance, conflicts of interests review and reporting of concerns. The adequacy of the internal control systems is also examined by the Statutory Auditors of the Company.

Detailed business plans, investment strategies, year on year reviews, annual financial and operating plans and quarterly monitoring are part of the established practices for all operating and service functions.

The Company also has in place the whistle blower mechanism to voice concerns and report misconduct.

FINANCIAL PERFORMANCE

Your Company has been maintaining its profitable growth and believes that this is sustainable, barring unforeseen circumstances. During the financial period under review, your Company achieved a turnover (Sales and other income) of ₹ 508.38 million and the Profit after Tax of ₹ 119.76 million.

Cash generation from Operations continued to remain favourable in this fifteen months period and is in line with

the business performance. The profit of the Company has grown significantly on account of improvement in all-around efficiencies, various cost cutting measures as well as softer raw material prices. Further, your Company continues to look for ways and means of deploying accumulated cash balances which remain invested largely in bank deposits and non-equity based mutual fund schemes.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES

Human resources continue to be a key thrust area. The Company's relationship with the work force and the union continues to be very cordial indicating the prevalence of high degree of excellent relationship between employees and the Management. The Management has been able to develop a harmonious and cordial industrial relations environment in the Company through regular, periodic meetings with the employees' representatives. Issues of concerns of employees are resolved through mutual, collaborative and participative discussions.

The Company has also continuously endeavored towards improving gender diversity and creating a safe, just and fair workplace for its employees. In line with the provisions of the 'The Sexual Harassment of Women at Workplace (Prevention of Sexual Harassment Avoidance and Redressal) Act, 2013 the Company has formed an Internal Complaints Committee (ICC) with set guidelines to address issues of sexual harassment at the work place towards any woman associates. The Company is committed to providing equal opportunities without regard to their race, caste, sex, religion, colour, nationality, disability etc. All the women employees (permanent, temporary, contractual and trainees) as well as any women visiting the Company's premises or women service providers are allowed to have access to the ICC. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

CAUTIONARY STATEMENT

Estimates and expectations stated in this Management Discussion and Analysis may be "forward-looking" statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and international markets in which the Company operates, changes in the Government regulations, tax laws, and other statutes and other incidental factors.



REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

De Nora India Limited (DNIL) is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. Our governance practices are a product of self-desire, reflecting the culture of the trusteeship that is deeply ingrained in our value system and reflected in our strategic thought process. Our governance philosophy rests on five basic tenets viz., Board accountability to the Company and its Members, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment of all Members as well as superior transparency and timely disclosure. DNIL is striving for excellence through adoption of best governance and disclosure practices which go beyond the statutory and regulatory requirements as it's endeavour is to follow the spirit of good governance than mere compliance with the conditions specified by regulatory authorities.

The Securities and Exchange Board of India has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015') on 2nd September, 2015, whereby it aligned the provisions of the erstwhile Listing Agreement with the provisions of the Companies Act, 2013 and further consolidated the scattered requirement under the erstwhile Listing Agreement for different securities under single piece of regulation. It has been effective from 1st day of December, 2015.

The Company has promptly taken all necessary steps to implement the provisions of the new legislation. The Company understands that compliances of applicable legislations and timely disclosures enhance the image of the Company.

2. Board of Directors

The Board of Directors of the Company has been constituted under the Chairmanship of an Independent Director and comprises of requisite number of Independent Directors, Non-Executive Directors and Executive Directors. The Board has an appropriate mix of knowledge, wisdom and varied industry experience to guide the Company in achieving its objectives in a sustainable manner. The Board of Directors along with its Committees provide leadership and guidance to the Company's Management as also direct, supervise and control the performance of the Company.

a. Composition of the Board

The Board consists of six (6) members with one (1) Executive Director and five (5) Non-Executive Directors, of which two (2) are Independent Directors including one Woman Director. The Chairman of the Board is an Independent cum Non-Executive Director. All the Independent Directors have confirmed that they meet the 'Independence' criteria as mentioned under the

relevant clauses of the Listing Regulations, 2015 and the Companies Act, 2013. The number of Non-Executive Directors is more than 50% of the total number of Directors. The composition of the Board is in conformity with the requirements of the provisions of the Listing Regulations, 2015 and the Companies Act, 2013.

b. Board Meetings

The Meetings of the Board of Directors are scheduled well in advance and generally held at the Company's Registered Office in Goa. The notice confirming the meeting is sent to all the Directors 7 days in advance and the detailed agenda follows thereafter. The Board meets at least once a quarter to review the quarterly performance and financial results and also as and when required.

There were five (5) Board Meetings held during the fifteen months period (01.01.2015 to 31.03.2016) namely on 19th February, 2015, 30th April, 2015, 5th August, 2015, 28th October, 2015 and 05th February, 2016. Further, during the period under review one meeting of Independent Directors was held on 21st April, 2015 in accordance with the provisions of the Companies Act, 2013 and rules/schedules framed thereunder.

c. Disclosures, Membership, Attendance & Other Directorships

The necessary disclosures regarding other Board Directorship/Committee memberships have been made by all the Directors. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees across all Companies in which they are Directors.

Further, none of the Directors serve as an Independent Director in more than seven listed Companies and none of the Independent Directors are Whole-time Directors in any listed Company.

None of the Directors hold Directorship in more than ten Public Companies. None of the Directors hold any shares in the Company.

There are no pecuniary relationships or transactions by the Non-Executive Directors with the Company.

None of the Directors are related to each other.

The details of attendance of each Director at the Board of Directors Meetings held during the fifteen months period (01.01.2015 to 31.03.2016) and the last Annual General Meeting and the number of other Directorship and Chairmanship/ Membership of Board Committees as on 31st March, 2016 are as follows:



Sr. No.	Name of the Director	Director Identification Number (DIN)	Nature of Directorship	Attendance Particulars		No. of other Directorships*	Committee Membership/ Chairmanship in other Companies#	
				Board Meetings	Last AGM		Chairman	Member
1.	Mr. M. A. Sundaram	00144607	Chairman/ Non-Executive Independent Director	5	Yes	-	-	-
2.	Mr. Vinay Chopra	06543610	Executive Director/ Manager	5	Yes	-	-	-
3.	Mr. Robert Scannell	06818489	Non-Executive Director	4	No	-	-	-
4.	Mrs. Sarita D'Souza	06949439	Non-Executive Independent Director	5	Yes	-	-	-
5.	Mr. Angelo Ferrari	00436116	Non-Executive Director	1	No	-	-	-
6.	Mr. Krishan Khanna	00046548	Non-Executive Director	3	No	-	-	-

*In Indian Companies, excluding Private Companies, Section 25 Companies and Foreign Companies.

In Audit Committee and Stakeholder's Relationship Committees of Indian Public Limited Companies whether listed or not

d. Meeting of Independent Directors

As per the provisions of the Companies Act, 2013 and the Listing Regulations, 2015 (erstwhile Clause 49 of the Listing Agreement), the meeting of Independent Directors of the Company was held on 21st April, 2015, for considering the matters prescribed in Schedule IV of the Companies Act, 2013 and Listing Regulations 2015 (erstwhile Clause 49 of the Listing Agreement) without the attendance of Non-Independent Directors. All the Independent Directors of the Company were present at the meeting.

e. Familiarisation Program for Independent Directors

In order to encourage active participation from the Independent Directors and also to enable them to understand the business environment of the Company, a Familiarization Program for the Independent Directors has been adopted and implemented.

The Company has disclosed its Familiarization Program for Independent Directors on the website of the Company at www.denoraindia.com and the same is available at the link: <http://www.denoraindia.com/Downloads/en-US/FamiliarisationProgrammeDNIL.pdf>

3. Board Committees

To enable better and more focussed attention on the affairs of the Company, the Board delegates particular matters to Committees of the Board set up for the purpose. These Committees prepare the groundwork for decision making and report at the subsequent Board Meeting.

i. Audit Committee

The Board has an Independent Audit Committee which was re-constituted in February 2015 to meet the regulatory requirement. The present composition of the Audit Committee is in accordance with the provisions of the Companies Act, 2013 and the recently notified Listing Regulations 2015. As on 31st March, 2016 it consists of three (3) Non-Executive Directors of whom two (2) are Independent Directors. The Chairman of the Audit Committee is also an Independent Director.

The Audit Committee also invites at its meetings, Senior Executives of the Management including the Internal Auditor. The representatives of the Statutory Auditors are also invited to attend the meetings. The Company Secretary acts as the Secretary to the Committee and the Chief Financial Officer & the Executive Director are special invitees to the Committee meetings. The Chairman of the Audit Committee possesses accounting/related financial management expertise and attends the Annual General Meeting of the Company. The Committee acts as a link between the Management, the Statutory and Internal Auditors and the Board of Directors and oversees the financial reporting process.



Terms of reference: The terms of reference and role of the Audit Committee are in accordance with the provisions of the Listing Regulations, 2015 and Section 177 of the Companies Act, 2013, and includes, inter-alia, the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the Management, the annual financial statements and Auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by the Management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Modified opinion(s) in the draft audit report
5. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
6. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the Company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the

internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;

13. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
14. To review the functioning of the whistle blower mechanism;
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
16. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, members (in case of non – payment of declared dividends) and creditors if any;
17. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate;
18. Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, if any, and making appropriate recommendations to the Board to take up steps in this matter;
19. Discussion with Internal Auditors any significant findings and follow up there on;
20. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern, if any.

The Audit Committee also has powers to review the following:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
- Management letters/letters of internal control weaknesses, if any, issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor
- Statement of deviations:
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of



Regulation 32(1) of the Listing Regulations, 2015.

- b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations, 2015.

Composition and attendance during the fifteen months period (01.01.2015 to 31.03.2016):The Committee met five (5) times during the period under review. The said meetings were held on 19th February, 2015, 30th April, 2015, 5th August 2015, 28th October, 2015, and 05th February, 2016 respectively.

Sr. No.	Name of Director	Designation	Category	No. of Meetings attended
1.	Mr. M. A. Sundaram#	Chairman	Independent Director	5
2.	Mrs. Sarita D'Souza	Member	Independent Director	5
3.	Mr. Robert Scannell	Member	Non-Executive Director	4

Mr. Sundaram was present at the previous Annual General Meeting held on 29th June, 2015 to answer shareholder queries in terms of the erstwhile Clause 49(III) of the Listing Agreement.

ii. Nomination & Remuneration Committee

The Nomination & Remuneration Committee was reconstituted time and again to deal with such matters as required to be dealt with by it under applicable law.

Terms of Reference: The constitution and the role of the Committee are in compliance of Section 178 of the Companies Act, 2013, the Companies (Meetings of the Board and its Powers) Rules, 2014 and the Listing Regulations, 2015.

The Committee has the mandate to deal with such matters as required to be dealt with by it under applicable law, inter alia, including recruitment and selection of Directors (Executive & Non-Executive) and Key Managerial Personnel/Senior Employees of the Company, particularly the matters pertaining to employment, remuneration, retirement benefits, performance appraisals, key succession planning and to make recommendations to the Board.

Composition and attendance during the fifteen months period (01.01.2015 to 31.03.2016): As per amended guidelines of the law, the Committee as on 31st March, 2016 comprises of three (3) Non - Executive Directors out of which two (2) are Independent Directors. The Chief Financial Officer is the invitee to the Committee meetings whereas Ms. Jyoti Bandodkar acts as the Secretary to the Committee.

The Committee met four (4) times during the period under review. The meetings were held on 19th February, 2015, 30th April, 2015, 05th August, 2015 and 05th February, 2016 respectively.

Sr. No.	Name of Director	Designation	Category	No. of Meetings attended
1.	Mrs. Sarita D'Souza#	Chairperson	Independent Director	4
2.	Mr. M. A. Sundaram	Member	Independent Director	4
3.	Mr. Robert Scannell	Member	Non-Executive Director	3

Mrs. Sarita D'Souza was appointed as the Chairperson of the Committee w.e.f. 19th February 2015.

Performance evaluation criteria for Independent Directors

Performance of the Independent Directors of the Company who are not involved in the day to day operations of the Company is assessed on the basis of:

- individual's continuing commitment to the role, strategic thinking etc.;
- commitment of time for Board and the other Committee meetings;
- commitment of time for other duties towards Company like performance management, integrity, independence etc.;
- commitment to good corporate governance practices;
- leadership, communication and relationship with the Chairman and other Board members;
- their individual competencies and contribution to the discussions and decisions at meetings.



Remuneration of Directors

Details of Remuneration paid to the Directors for the fifteen months period (01.01.2015 to 31.03.2016):

Name of the Director	Basic Salary (₹)	Benefits/ Allowances/ Perquisites (₹)	Bonus / Commission (₹)	Sitting Fees (₹)*	Pension/PF/ Superannuation (₹)	Total (₹)
Executive Director						
Mr. Vinay Chopra	10,27,425	9,31,529	3,59,057	-	2,77,395	25,95,406
Sub-total (a)	10,27,425	9,31,529	3,59,057	-	2,77,395	25,95,406
Non- Executive Directors						
Mr. M. A. Sundaram	-	-	-	1,05,000	-	1,05,000
Mr. Robert Scannell	-	-	-	70,000	-	70,000
Mrs. Sarita D'Souza	-	-	-	1,05,000	-	1,05,000
Mr. Angelo Ferrari	-	-	-	5,000	-	5,000
Mr. Krishan Khanna	-	-	-	15,000	-	15,000
Sub-total (b)	-	-	-	3,00,000	-	3,00,000
Total (a)+(b)	10,27,425	9,31,529	3,59,057	3,00,000	2,77,395	28,95,406

*Sitting Fees constitute fees paid to Non-Executive Directors for attending Board Meetings, Committee Meetings and the General Meetings.

Details of fixed component and performance linked incentives paid for the fifteen months period (01.01.2015 to 31.03.2016):

Name of Director	Salary	
	Fixed (₹)	Performance Linked Incentives (₹)
Mr. Vinay Chopra	2236349	359057
Total	2236349	359057

Details of Service Contracts, Notice Period, etc. of all the Directors for the fifteen months period (01.01.2015 to 31.03.2016):

Sr. No.	Name of Director	Contract Period (Tenure)	Service Contract	Notice Period	Severance Fees, if any
1.	Mr. Vinay Chopra	16 th July 2013 to 15 th July 2016	Yes	3 months	Nil
2.	Non-Executive Directors other than Independent Directors	None. The Non-Executive Directors other than Independent Directors, liable to retire by rotation, get re-appointed as per the provisions of the Companies Act, 2013.	No	None	Nil

- The Company does not have any stock option scheme as on 31st March 2016.

Remuneration Policy

In accordance with the provisions of the amended Clause 49 of the Listing Agreement the Committee had framed a Remuneration Policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees of the Company. The detailed policy is provided below for the reference of the shareholders of the Company.

The remuneration of the Directors, Key Managerial Personnel and the Senior Management of the Company is reviewed and recommended by the Nomination and Remuneration Committee ('Committee') based on criterias such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities handled, performance track record etc. and in accordance with the provisions of the Articles of Association of the Company, the provisions of the Companies Act, 2013 and the rules made thereunder and is decided by the Board of Directors. Also, the remuneration/compensation/commission etc. payable to the Managing Director/Manager/Whole-time Director of the Company shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.



Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the shareholders in the case of Managing Director/ Manager/Whole-time Director. Increments will be effective from 1st January every year.

Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Managing Director/Manager/ Whole-time Director

1. Fixed Pay

The Managing Director/Manager/Whole time Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, performance related incentives etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Pay

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/ Manager/Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

3. Provisions for excess remuneration

If any Managing Director/Manager/Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he /she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

The shareholders may by a resolution grant authority to the Board of Directors of the Company (including any Committee or Committees reconstituted by the Board for this purpose) to fix increased remuneration to the

Managing Director/Manager/Whole-time Director of the Company subject to the overall limits as prescribed in the provisions of Sections 197, 198, Schedule V and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder (including any statutory modification or re-enactment thereof, for the time being in force).

4. Stock Options of the Company

The Managing Director/Manager/Whole-time Director may be entitled to participate in any stock option scheme operated by the Company or Group Company.

Remuneration to the Non-Executive/Independent Director

1. Sitting fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. Currently the sitting fees to be paid to the Non- Executive / Independent Director for attending Board/Committee meetings is Rs.5000/- per meeting. The Remuneration Committee may recommend to the Board at any time an increase in the sitting fees to be paid to the Non- Executive/Independent Directors and it shall be the power of the Board to approve such increase subject to the compliance of the provisions of the Companies Act, 2013 and rules made thereunder or any other applicable laws.

2. Reimbursement of expenses

In addition to the sitting fees, the Company may pay or reimburse such fair and reasonable expenditure, as may have been incurred by the Non-Executive /Independent Director while performing their role as a Non-Executive/ Independent Director of the Company in conjunction with the Company rules and policies. This could include reimbursement of expenditure incurred for attending Board/Committee Meetings, Annual General Meeting, Extra-Ordinary General Meetings, induction and training (organized by the Company for Directors) and other incidental expenses incurred in the performance of their role and duties.

3. Stock Options of the Company

An Independent Director shall not be entitled to participate in any stock option scheme operated by the Company or Group Company.



Remuneration to the KMP/Senior Management

The remuneration of KMPs/Senior Management Personnel largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience/merits, performance of each employee. The Committee while deciding the remuneration package shall take into consideration the current employment scenario, the industry benchmark and ensure that the pay structures are appropriately aligned with the remuneration levels prevalent in the industry from time to time.

The annual variable pay of KMPs/Senior Management Personnel is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year. They will also be entitled to customary non-monetary benefits such as Company car, Company health care, telephone etc. or any other benefits decided by the Committee and Board in accordance with the Company policy.

iii. Stakeholder's Relationship Committee

The Company has a Stakeholder's Relationship Committee at the Board level which, as on 31st March 2016, consists of three (3) Directors out of which two (2) are Non-Executive Independent Directors and One (1) Executive Director. The composition and the terms of reference of the Committee are in conformity with the provisions of Section 178 of the Companies Act, 2013, the Companies (Meetings of the Board and its Powers) Rules, 2014 and the relevant clauses of the Listing Regulations, 2015. There is also a separate Share Transfer Committee for approval and registration of transfers and/ or transmissions of equity shares of the Company and to do all other acts and deeds as may be necessary or incidental thereto.

Composition and attendance during the fifteen months period (01.01.2015 to 31.03.2016):

The Committee met twice (2) during the fifteen months period i.e. on 19th February, 2015 and 28th October, 2015 respectively to approve matters related to Shares, etc.

Sr. No.	Name of Director	Designation	Category	No. of Meetings attended
1.	Mr. M. A. Sundaram	Chairman	Independent Director	2
2.	Mrs. Sarita D'Souza	Member	Independent Director	2
3.	Mr. Vinay Chopra	Member	Executive Director	2

Name and Designation of Compliance Officer:

Ms. Jyoti Bandodkar - Company Secretary

Number of Shareholders Complaints/ Correspondence received so far/ Number not solved to the satisfaction of shareholders/ Number of pending complaints as at 31.03.2016:

a. Correspondence construed as Complaints

Sr. No.	Nature of Complaint	Total Received	Total Replied	Total Pending
1.	Inquiry pertaining to non-receipt of shares sent for transfer	0	0	0
2.	Letters received from SEBI and other Statutory Bodies	0	0	0

b. Other Correspondence

Sr. No.	Nature of Query	Total Received	Total Replied	Total Pending
1.	Non-Receipt/Requests of Interest/Dividend warrants	25	25	0
2.	Transfer/Dematerialisation of securities	26	26	0
3.	Name correction	1	1	0
4.	Change of address requests	6	6	0
5.	ECS/ Mandate requests	15	15	0
6.	Loss of securities	8	8	0
7.	Split/Consolidation/Renewal/Duplicate issue of securities	2	2	0
8.	Nomination requests	0	0	0
9.	Transmission of Securities	4	4	0
10.	Exchange/ Sub-division of old shares	0	0	0
11.	Dividend/ interest queries	0	0	0
12.	Others (Miscellaneous)	49	49	0



iv. Corporate Social Responsibility Committee

As per the requirements of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, including amendments thereof, the Corporate Social Responsibility (CSR) Committee of the Board of Directors has been constituted to deal with matters required to be dealt with by it under applicable law, rules, inter alia, including to formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Act, to monitor the CSR Policy of the Company from time to time, to prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes/activities proposed to be undertaken by the Company under the CSR policy of the Company. The CSR policy has also been uploaded on the website of the Company at www.denoraindia.com.

Composition and attendance during the fifteen months period (01.01.2015 to 31.03.2016):

The Committee met four (4) times during the period under review i.e. on 30th April, 2015, 5th August 2015, 28th October 2015 and 05th February, 2016.

Sr. No.	Name of Director	Designation	Category	No. of Meetings attended
1.	Mr. M. A. Sundaram	Chairman	Independent Director	4
2.	Mrs. Sarita D'Souza	Member	Independent Director	4
3.	Mr. Vinay Chopra	Member	Executive Director	4
4.	Mr. Robert Scannell	Member	Non-Executive Director	3

4. General Body Meetings

Location and time where last three Annual General Meetings held:

Year	Location	Date	Time	No. of Special Resolution	Special Resolutions
2012	Registered Office	08.05.2013	11.00 am	1	Appointment of the Manager, Mr. Vinay Chopra
2013	Registered Office	14.05.2014	11.00 am	1	Appointment of Dr. Robert Scannell as a Director
2014	Registered Office	29.06.2015	11.00 am	1	Appointment of Mr. Angelo Ferrari as a Director

- No Resolution was passed during the fifteen month period ended March 31, 2016 through Postal Ballot under Section 110 of the Companies Act, 2013 and Rules framed thereunder.
- The Company has not proposed to conduct any Special Resolution through Postal Ballot.

5. Means of Communication

The unaudited quarterly financial results of the Company to be published, are approved and taken on record by the Board of Directors of the Company within forty-five days of the close of the respective quarter except for the fourth quarter for which the financial results of the Company are approved and taken on record within sixty days of the end of the quarter. The approved results are forthwith sent to NSE and BSE as prescribed in the Listing Regulations, 2015 (erstwhile Listing Agreement). Further, the result in the prescribed proforma is published within 48 hours in the media ensuring wider publicity. The audited annual results are published within the stipulated period as required by the Listing Regulations, 2015.

The quarterly unaudited financial results of the Company and annual audited financial results are published in "Business Standard" in English and in "Lokmat" in Marathi. These Results are also displayed on the website of the Company at www.denoraindia.com and on the official website of NSE (www.nseindia.com). The annual financial results are posted to every shareholder of the Company in the prescribed manner.

The Ministry of Corporate Affairs ('MCA') has launched "Green Initiative in Corporate Governance" allowing paperless communication to shareholders. Consequently, Companies can send Annual Report and other communications electronically. Accordingly, your Company sends Annual Reports and other Corporate communication by e-mail to those shareholders who have registered their e-mail ID for this purpose and hard copies in other cases. **Your Company urges you to support the Green Initiative by registering/updating your email addresses with the Depository Participants (electronic holdings) or the Registrar and Transfer Agents (physical holdings) for receiving soft copies of various communications including the Annual Reports.**

The Company has an exclusive e-mail ID for the shareholders/investors and they may communicate to the Company directly at secretarial@denora.com.

All the official news releases and presentations on significant developments in the Company are hosted on Company's website and provided to the Stock Exchange and the press simultaneously.



6. General Shareholder Information

Annual General Meeting	:	27 th Annual General Meeting
Date	:	Wednesday, 21 September, 2016
Time	:	11.00 a.m.
Venue	:	Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim – Goa 403115
Financial Period	:	1 st January, 2015 – 31 st March, 2016
Book Closure	:	Thursday, 15 th September, 2016 to Wednesday, 21 st September, 2016 (both days inclusive)
Dividend payment date	:	7 th October, 2016
Listing on Stock Exchange	:	National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Tel. No. 022 26598100 Fax. No. 022 26598237/38
Stock Code	:	DENORA EQ
ISIN	:	INE244A01016
Registrar & Transfer Agents	:	Bigshare Services Private Ltd. E – 2 & 3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (E), Mumbai – 400 072 Tel. No. 022 4043 0200 Fax No. 022 2847 5207

Share Transfer System

Share Transfer is normally effected within a maximum period of 15 days from the date of receipt, if all the required documentation is submitted. The Board has delegated the powers of share transfer to a Committee comprising of the Executive Director, the Chief Financial Officer and the Company Secretary. The Stakeholders Relationship Committee notes the approval of the same at its next meeting. The Share Transfer Committee meets for approval of share transfers, issue of duplicate share certificates, split, consolidation, etc. as per the request received. Grievances received from Members and other miscellaneous correspondence on change of address, mandates etc. are processed by the Registrar within 7 days.

Distribution of Shareholding as on 31.03.2016:

Range of Holding	No. of Shares	% to Capital	No. of Shareholders	% to Shareholders
LESS THAN 500	710179	13.38	6037	90.13
501-1000	289514	5.45	362	5.41
1001-2000	262162	4.94	170	2.54
2001-3000	123215	2.32	49	0.73
3001-4000	83445	1.57	24	0.36
4001-5000	46696	0.88	10	0.15
5001-10000	161054	3.03	22	0.33
10001-9999999998	3632369	68.42	24	0.36
TOTAL	5308634	100.00	6698	100.00



Pattern of shareholding as on 31.03.2016:

Sr. No.	Category	No. of Shareholders	No. of Shares	% of Shareholding
1	INDIVIDUAL	6342	2032565	38.29
2	DOMESTIC COMPANIES	270	178371	3.36
3	NATIONALISED BANKS	1	100	0.00
4	NRI NON-REP	30	46115	0.87
5	NRI REP	50	13291	0.25
6	PROMOTERS	3	3030232	57.08
7	NBFC	1	500	0.01
8	FOREIGN INSTITUTIONAL	1	7460	0.14
	TOTAL	6698	5308634	100.00

Dematerialisation of Shares and Liquidity as on 31.03.2016:

Particulars	No. of Shares	% to Capital	No. of Accounts
NSDL	4423493	83.33	3934
CDSL	749465	14.12	1819
PHYSICAL	135676	2.56	945
TOTAL	5308634	100.00	6698

Top 10 Equity Shareholders as on 31st March, 2016 (Other than Promoters, Directors, their relatives and Associates):

Name(s) of Shareholders	Category	No. of Shares	% to Capital
NITIN SAXENA	INDIVIDUAL	82428	1.55
LALAN A. KAPADIA	INDIVIDUAL	75000	1.41
BHARAT AJAY KAPADIA	INDIVIDUAL	75000	1.41
AJITSINH GOKALDAS KHIMJI	NON-RESIDENT (NON REP)	35000	0.66
VIJAY GUPTA (HUF)	INDIVIDUAL	34829	0.66
VIJAY PRAKASH GUPTA	INDIVIDUAL	28187	0.53
REKHA HARSHADRAY KAPADIA	INDIVIDUAL	25000	0.47
ANUPAM SAXENA	INDIVIDUAL	24419	0.46
PRITI UMESH KHIMJI	INDIVIDUAL	23500	0.44
KAMLESH RAMNIKALAL MEHTA	INDIVIDUAL	21500	0.41

Outstanding GDRs/ADRs/Warrants/

Convertible instruments, Conversion date

& likely impact on equity

: NIL

Commodity Price Risk/Foreign Exchange Risk

& Hedging activities

: NIL

Plant Locations

: Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa- 403115

Address for Correspondence

: De Nora India Limited
Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa - 403115
Tel.: 91-832-3981151;
Fax: 91-832-3981101

Market Price Data & Performance of the Company

Share Price vis-à-vis NSE CNX Nifty (NIFTY)

: High, Low and close during each Month for the fifteen months period (01.01.2015 – 31.03.2016)



Month	De Nora India Limited			NSE (S&P CNX Nifty)		
	High (₹)	Low (₹)	Close (₹)	High (₹)	Low (₹)	Close (₹)
Jan-15	154.95	139.90	140.35	8996.60	8065.45	8808.90
Feb-15	159.00	128.35	131.85	8941.10	8470.50	8901.85
Mar-15	144.50	127.15	130.60	9119.20	8269.15	8491.00
Apr-15	158.80	126.00	135.00	8844.80	8144.75	8181.50
May-15	156.00	131.25	147.20	8489.55	7997.15	8433.65
Jun-15	152.65	130.00	147.20	8467.15	7940.30	8368.50
Jul-15	210.30	145.65	190.15	8654.75	8315.40	8532.85
Aug-15	223.00	140.10	164.10	8621.55	7667.25	7971.30
Sept-15	165.35	143.55	152.75	8055.00	7539.50	7948.90
Oct-15	247.00	150.10	235.45	8336.30	7930.65	8065.80
Nov-15	288.70	220.00	276.30	8116.10	7714.15	7935.25
Dec-15	377.00	236.15	373.60	7979.30	7551.05	7946.35
Jan-16	467.95	340.00	358.60	7972.55	7241.50	7563.35
Feb-16	369.00	225.50	230.25	7600.45	6825.80	6987.05
Mar-16	345.75	230.15	316.35	7777.60	7035.10	7738.40

7. Other Disclosures

a. Related Party Transactions:

The Company has formulated a policy on Related Party Transactions which has been displayed on the Company's website, a weblink of which is provided below:

http://www.denoraindia.com/Downloads/en-US/RPT_Policy_DNIL.pdf

All the related party transactions of the Company entered during the fifteen months period were prior approved by the Audit Committee by granting an omnibus approval for the related party transactions proposed to be entered into by the Company.

There were no materially significant related party transactions i.e. transactions material in nature, with its promoters, the Directors or the Management or their relatives etc. having potential conflict with the interests of the Company. The details of general related party transactions which are in the normal course of business of the Company and on arm's length basis are given in the Notes to Accounts. The details of all transactions with related parties are placed before the Audit Committee and at the Board Meeting on a quarterly basis.

b. No penalty or strictures:

The Company has complied with all rules and regulations prescribed by the Stock Exchanges, SEBI or any other statutory authority on any matter related to the capital markets. No penalties or strictures have been imposed on the Company during the last three years.

c. Whistle Blower Policy

The details of the establishment of whistle blower policy are disclosed in the Board's Report.

d. Subsidiaries

The Company does not have any Subsidiary Company.

e. Listing Fees

The Company has paid listing fees to the National Stock Exchange of India Limited up to March 31, 2017 where the shares of the Company are listed.

8. Compliance with Non-mandatory Requirements

a. The Board

The Company has not provided any office to the Non-Executive Chairman or allowed any re-imbursement of expenses incurred in performance of his duties, apart from the payment of sitting fees for attending Board and Committee Meetings.

b. Shareholder Rights

The half-yearly financial results including summary of significant events of relevant period of six months are not sent to each household of shareholders. However, these results are displayed on the Company's website (www.denoraindia.com) and on the official website of NSE (www.nseindia.com).

c. Audit Qualifications

Strategic decisions were taken during the year resulting in unqualified financial statements of the Company.

d. Separate posts of Chairman & CEO

The Company has always endeavoured to appoint separate persons to the post of the Chairman and Managing Director/CEO of the Company.

e. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.



AUDITOR'S COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of De Nora India Limited

I have examined the compliance of conditions of Corporate Governance by De Nora India Limited (the Company), for the fifteen months period ended on 31st March, 2016, as stipulated in Clause 49 of the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges and the relevant clauses of the New SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable from 01st December 2015.

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

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors & the Management:

- I) I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement and relevant clauses of the new SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- II) I state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Stakeholder's Relationship Committee.

I 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.

Sadashiv V. Shet

PRACTISING COMPANY SECRETARY

CP No.: 2540; Membership No.: 2477

Place: Panjim, Goa

Date: May 25, 2016

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

The Board has formulated a code of conduct for the Board members and Senior Management of the Company, which has been posted on the website of the Company. It suitably incorporates the duties of the Independent Directors as laid down in the Companies Act, 2013.

It is hereby affirmed that all the Directors and Senior Management personnel have complied with the code of conduct framed by the Company for the 15 months financial period (i.e. from 01.01.2015 to 31.03.2016) and a confirmation to that effect has been obtained from all the Directors and Senior Management.

For De Nora India Limited

Vinay Chopra
Manager/Director
DIN: 06543610

Place: Kundaim, Goa

Date: May 25, 2016



INDEPENDENT AUDITOR'S REPORT

To the Members of
De Nora India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of De Nora India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the period beginning from 1 January 2015 and ended on 31 March 2016 ('the period'), and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 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 controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the said Order.

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 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 31 March 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March 2016 from being appointed as a Director in terms of Section 164 (2) of the Act; and
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,



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 – refer note 28 to the financial statements;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. there has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Mumbai
25 May, 2016

Shabbir Readymadewala
Partner
Membership No: 100060

Annexure to the Independent Auditors' Report – 31 March 2016

With reference to the Annexure referred to in our report of even date, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme of physical verification, the Company has physically verified certain fixed assets during the year and no material discrepancies were noticed on such verification.
- ii. (a) The inventory, except goods in transit, has been physically verified by the management during the period. In our opinion, the frequency of such verification is reasonable.
(b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly paragraph 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, and having regard to the explanation that purchases of certain items of inventories are for the Company's specialised requirements and similarly certain items of inventories sold and services rendered are for the specialised requirements of the buyers for which suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of goods and services. In our opinion and according to the information and explanations given to us, we have not observed any major weakness in the internal control system during the course of the audit.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits as per the directives issued by the Reserve Bank of India under the provisions of



Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.

vi. According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the activities carried out by the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Employees' State Insurance, Provident fund, Income tax, Duty of excise, Duty of customs, Sales tax/ Value added tax, Service tax, cess and any other material statutory dues have generally been regularly deposited with the appropriate authorities except in few cases where there have been slight delays.

According to the information and explanations given to us, no undisputed amounts payable in respect of Employees' State Insurance, Provident fund, Income tax, Duty of excise, Duty of customs, Sales tax, Value added tax, Service tax, cess and any other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income tax, Provident fund, Duty of customs, Sales tax/ Value added tax and Service tax which have not been deposited with the appropriate authorities on account of any dispute.

According to the information and explanations given to us, the following dues of Duty of excise have not been deposited as on 31 March 2016 by the Company on account of disputes.

Name of the Statute	Nature of the Dues	Amount Rs.	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty on assessable value consequent to the benefit availed under the Goa Value Added Tax Deferment-cum-net present value compulsory payment scheme, 2005	11,32,341	2003-2007	Additional Commissioner of Central Excise, Goa

(c) According to the information and explanations given to us, there are no dues on account of Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder.

viii. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.

ix. The Company did not have any outstanding dues to any financial institution, banks or debenture holders during the year.

x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

xi. The Company did not have any term loans outstanding during the year.

xii. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **B S R & Associates LLP**
Chartered Accountants

Firm's Registration No: 116231W/W-100024

Shabbir Readymadewala
Partner

Mumbai
25 May, 2016

Membership No: 100060



BALANCE SHEET

As at 31 March, 2016

(Currency: Indian Rupees)

	Note	31 March, 2016	31 December, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	5,30,86,340	5,30,86,340
Reserves and surplus	4	43,34,91,329	33,95,55,826
		48,65,77,669	39,26,42,166
Non-current liabilities			
Long-term provisions	5	24,04,216	1,00,59,461
		24,04,216	1,00,59,461
Current liabilities			
Trade payables	6		
Payables to Micro and Small Enterprises		-	-
Payables to others		3,63,51,309	1,95,49,988
Other current liabilities	7	3,35,87,755	3,63,43,235
Short-term provisions	8	4,51,81,407	2,67,47,392
		11,51,20,471	8,26,40,615
TOTAL		60,41,02,356	48,53,42,242
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9A	7,19,52,500	6,79,34,530
Intangible assets	9B	2,87,695	5,24,207
Intangible assets under development		1,89,65,244	1,24,90,701
		9,12,05,439	8,09,49,438
Non-current investments	10	1,70,000	1,70,000
Deferred tax assets (net)	11	1,58,97,237	1,58,64,917
Long-term loans and advances	12	1,33,46,350	79,11,027
Other non-current assets	13	10,00,00,000	1,33,95,242
		12,94,13,587	3,73,41,186
Current assets			
Current investments	14	19,19,17,925	14,29,17,899
Inventories	15	5,92,49,817	6,69,75,915
Trade receivables	16	10,44,14,517	11,62,73,811
Cash and bank balances	17	1,38,30,314	2,09,09,165
Short-term loans and advances	18	1,40,70,757	66,81,502
Other current assets	19	-	1,32,93,326
		38,34,83,330	36,70,51,618
TOTAL		60,41,02,356	48,53,42,242
Significant accounting policies	2		
The notes referred to above form an integral part of the financial statements	3-39		

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No : 116231W/W-100024

Shabbir Readymadewala

Partner

Membership No : 100060

M.A.Sundaram

Chairman

DIN : 00144607

Deepak Nagvekar

Chief Financial Officer

For and on behalf of the Board of Directors of

De Nora India Limited

CIN : L31200GA1993PLC001335

Vinay Chopra

Director

DIN : 06543610

Jyoti Bandodkar

Company Secretary

Place: Mumbai

Date: 25 May, 2016

Place: Kundaim, Goa

Date: 25 May, 2016



STATEMENT OF PROFIT AND LOSS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

	Note	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
Revenue from operations			
Revenue from operations (gross)	20	51,82,39,088	31,30,13,706
Less: Excise duty		(98,58,874)	(78,07,481)
Revenue from operations (net)		50,83,80,214	30,52,06,225
Other income	21	3,76,60,483	2,24,58,478
Total revenue		54,60,40,697	32,76,64,703
Expenses			
Cost of materials consumed	22	17,05,56,145	8,19,27,336
Purchase of stock-in-trade	22	46,47,926	1,17,72,253
Changes in Inventory of finished goods, work-in-progress and stock-in-trade	23	(90,11,688)	1,29,72,720
Employee benefits expense	24	6,96,67,884	4,63,90,020
Finance costs	25	13,745	33,434
Depreciation and amortisation	26	1,15,96,303	1,20,08,509
Other expenses	27	11,86,99,284	10,23,24,936
Total expenses		36,61,69,599	26,74,29,209
Profit before tax for the year		17,98,71,098	6,02,35,494
Tax expense:			
Current tax		5,77,77,985	1,45,40,371
Current tax relating to prior year		23,64,787	20,82,048
Deferred tax charge / (credit)		(32,320)	10,87,621
Total tax expense		6,01,10,452	1,77,10,040
Profit after tax for the year		11,97,60,646	4,25,25,454
Earnings per equity share [Nominal value of share Rs 10 (previous year: Rs 10)]			
Basic and diluted	30	22.56	8.01
Significant accounting policies	2		
The notes referred to above form an integral part of the financial statements	3-39		

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No : 116231W/W-100024

Shabbir Readymadewala

Partner

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De Nora India Limited

CIN : L31200GA1993PLC001335

Vinay Chopra

Director

DIN : 06543610

Jyoti Bandodkar

Company Secretary

Place: Mumbai

Date: 25 May, 2016

Place: Kundaim, Goa

Date: 25 May, 2016



CASH FLOW STATEMENT

for the fifteen months ended 31 March, 2016
(Currency : Indian Rupees)

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
(A) Cash flows from operating activities:		
Profit before tax	17,98,71,098	6,02,35,494
Adjustments:		
Depreciation and amortisation	1,15,96,303	1,20,08,509
Interest income	(26,96,851)	(44,21,574)
Finance cost	13,745	33,434
(Profit)/Loss on sale of tangible assets	(2,38,571)	1,05,177
Net unrealised gain on foreign exchange	(1,607)	(3,767)
Advances write-off	48,007	7,84,641
Provision for doubtful receivables	5,90,761	77,54,248
Dividend income	(1,60,94,290)	(62,07,848)
Provision for warranty (net)	16,54,003	(78,33,833)
	(51,28,500)	22,18,987
Operating cash flow before working capital changes	17,47,42,598	6,24,54,481
Decrease in trade receivables	1,12,21,944	56,17,046
Decrease in inventories	77,26,098	4,68,82,499
Decrease / (increase) in long term loans and advances	1,783	(3,24,636)
Decrease in short term loans and advances	53,40,445	81,19,405
Increase / (decrease) in trade payables	1,68,01,321	(67,54,314)
(Decrease) / increase in long term provisions	(72,68,762)	23,84,620
(Decrease) / increase in short term provisions	1,52,406	(1,06,64,386)
(Decrease) / increase in other current liabilities	(55,67,875)	15,97,018
	2,84,07,360	4,68,57,253
Cash generated from operations	20,31,49,958	10,93,11,734
Income taxes (paid)	(6,55,79,878)	(1,21,70,341)
Net cash generated in operating activities (A)	13,75,70,080	9,71,41,393
(B) Cash flows from investing activities:		
Purchase of fixed assets and change in capital work in progress and capital creditors	(1,90,39,909)	(1,22,40,671)
Proceeds from sale of fixed assets	2,38,571	2,82,112
Interest received	32,60,477	56,74,050
Dividend received	1,60,94,290	62,07,848
Purchase of investments	(17,40,00,026)	(8,23,46,960)
Proceeds from sale/redemption of investments	12,50,00,000	1,58,63,042
Movement in Bank deposits (having maturity of more than 3 months)	1,80,00,000	(1,80,00,000)
Movement in other bank balances	1,44,535	88,510
Investment in Term deposits with a (maturity of over 12 months)	(8,66,04,758)	67,61,758
Net cash (used) in investing activities (B)	(11,69,06,820)	(7,77,10,310)
(C) Cash flows from financing activities:		
Interest paid	(13,745)	(33,434)
Dividend and distribution tax paid	(95,83,832)	(2,47,55,897)
Decrease in book overdraft	-	(31,28,845)
Net cash (used) by financing activities (C)	(95,97,577)	(2,79,18,177)
Net decrease in cash and cash equivalents (A+B+C)	1,10,65,683	(84,87,094)
Cash and cash equivalents as at the beginning of the year	14,16,930	99,04,024
Cash and cash equivalents as at the end of the year	1,24,82,613	14,16,930



CASH FLOW STATEMENT

for the fifteen months ended 31 March, 2016
(Currency : Indian Rupees)

Notes to cash flow statement		For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
1	Components of cash and cash equivalents		
	- Cash on hand	46,739	17,152
	- Balances with banks		
	- in current accounts	1,16,61,576	13,00,193
	- in EEFC account	7,74,299	99,585
		1,24,82,614	14,16,930

As per our report of even date attached
For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No : 116231W/W-100024

Shabbir Readymadewala
Partner
Membership No : 100060

M.A.Sundaram
Chairman
DIN : 00144607

Deepak Nagvekar
Chief Financial Officer

For and on behalf of the Board of Directors of
De Nora India Limited
CIN : L31200GA1993PLC001335

Vinay Chopra
Director
DIN : 06543610

Jyoti Bandodkar
Company Secretary

Place: Mumbai
Date: 25 May, 2016

Place: Kundaim, Goa
Date: 25 May, 2016



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

1 Background

De Nora India Limited ('the Company' or 'De Nora') was incorporated in June 1989 as Titanor Components Limited ('Titanor') and commenced business in November 1989. The Company's name was changed from Titanor to De Nora on 27 June 2007. The Company has its manufacturing facilities at Kundaim, Goa and is involved in the business of manufacturing and servicing of Electrolytic products.

2 Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules 2014 and other relevant provisions of the Act, to the extent applicable.

The Board of Directors vide their resolution dated 19 February 2015 has approved the change in financial year of the Company from January - December to April - March effective 1 April 2015. In view of this, the current financial period is for a period of fifteen months. i.e. 1 January 2015 to 31 March 2016 ("period") and, accordingly, the figures for the current period are not comparable with the figure for the year ended 31 December 2014 ("previous year") presented in the statement of profit and loss, cash flow statement and notes to the financial statement.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Current and Non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the balance sheet date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date.

All other assets are classified as non-current

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

- (c) it is due to be settled within 12 months after the balance sheet date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

2.4 Tangible assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation / amortisation and impairment losses, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

Depreciation on tangible fixed assets is provided on the straight-line method (SLM) over the useful lives of the assets as estimated by the Management. Depreciation is charged on a pro-rata basis for assets purchased / sold during the year.

Capital work-in-progress includes the cost of fixed assets that are not ready to use at the balance sheet date.

The Schedule II of the Act has been adopted by the Company and the useful lives for the fixed assets estimated by management are as prescribed by the schedule. The useful life are as follows

Nature of assets	Useful Life
Factory building (RCC)	30 years
Other than Factory buildings (RCC)	60 years
Electrical fittings	7 years
Office equipments	5 years
Furniture and fixtures	10 years
Computers	3 years
Plant and machinery	15 years
Vehicles	8 years

Losses arising from the retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the statement of profit and loss.

Fixed assets individually costing up to Rs 5,000 are depreciated fully in the year of purchase.

Premium on leasehold land is amortised over the unexpired period of the lease.

Tangible Assets is eliminated from the financials statements on disposal or when no further benefit is expected from its use and disposal.



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

2.5 Intangible assets and amortisation

Intangible assets includes system and application software. These intangible assets are recognised only where future economic benefits attributable to such assets are expected to flow to the Company and the cost of such assets can be reasonably measured. Software is initially recognised at cost and carried to subsequent years at cost less accumulated amortisation and accumulated impairment losses, if any.

The computer software is amortised over an expected benefit period of 3 years on a straight line method (SLM).

Intangible assets are derecognised when no future economic benefits are expected from their use and subsequent disposal.

2.6 Borrowing costs

Borrowing costs include interest and ancillary costs incurred in connection with the borrowings. Borrowing costs in connection with the borrowing of funds, to the extent attributable to the acquisition or construction of a qualifying asset, are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

2.7 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.8 Leases

Lease payments under operating lease are recognised as an expense in the Statement of profit and loss on a straight line basis over the lease term.

2.9 Investments

Long term investments are stated at cost, less any other than temporary diminution in value determined separately for each individual investments.

Current investments are carried at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

2.10 Inventories

Inventories include raw materials and consumable stores and spares, work in progress, manufactured and traded finished goods inventory. Inventory is valued at the lower of cost and net realisable value.

Cost comprises the purchase price, costs of conversion and other related costs incurred in bringing the inventories to their present location and condition. Costs of raw materials and consumable stores and spares are determined on the basis of the weighted average method. Cost of finished goods and work in progress include appropriate proportion of costs of conversion which include variable and fixed overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Excise duty on unsold manufactured goods is included in the value of the work in progress and finished goods inventory.

Obsolete, defective and unserviceable inventories are duly provided for. The comparison of cost and net realisable value is made on an item to item basis.



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

2.11 Revenue recognition

Revenue from sale of products is recognised on transfer of all significant risks and rewards of ownership of the products on to the customers, which is generally on dispatch of goods.

Service income comprising mainly recoating/ repair of electrolytic products is recognised as per the terms of the contract with the customer when the related services are performed and the products are dispatched to the customer. Income from annual maintenance service contracts is recognised pro-rata over the period of the contract.

Revenue from fixed price construction contracts is recognised by reference to the estimated overall profitability of the contract under the percentage of completion method. Percentage of completion method is determined as a proportion of the costs incurred to date to the total estimated costs. Provision for expected loss is recognised immediately when it is probable that the total estimated contract costs will exceed total contract revenue. Revenue recognised in excess of billings is recorded as unbilled revenue.

Dividend income is recognised when the right to receive the dividend is established.

Interest income is recognised on the time proportion basis.

2.12 Foreign currency transactions

Foreign currency transactions are recorded at the spot rates on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss.

2.13 Employee benefits

(a) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period.

(b) Post-employment benefits

The Company's approved superannuation scheme is a defined contribution plan. The Company also makes specified monthly contributions towards employee provident fund which is also a defined contribution plan. The Company's contribution paid/ payable under these schemes is recognised as an expense in the Statement of profit and loss during the year in which the employee renders the related service.

The Company's gratuity benefit scheme is a defined benefit plan and funded by the Company. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation at the balance sheet date by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognised immediately in the Statement of profit and loss.



NOTES TO THE FINANCIAL STATEMENTS

For the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

(c) *Other Long-term employment benefits*

Compensated absences, do not fall due wholly within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation which is determined at each balance sheet date based on an actuarial valuation by an independent actuary using the Projected Unit Credit Method. The said liability is funded by the Company. Actuarial gains and losses are recognised immediately in the Statement of profit and loss.

2.14 Taxation

Income tax expense comprises current income tax and deferred tax charge or credit.

Current Tax

Provision for income tax is recognised in accordance with the provisions of Indian Income Tax Act, 1961 and is made based on the tax liability after taking credit for tax allowances and exemptions.

Deferred taxes

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available to realise the assets. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty that sufficient future taxable income will be available to realise these assets. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each balance sheet date.

2.15 Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.16 Earnings per share (EPS)

The basic earnings per share ('EPS') is computed by dividing the net profit for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting year. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

	31 March, 2016	31 December, 2014
3 Share capital		
Authorised shares:		
10,000,000 (previous year : 10,000,000) equity shares of Rs.10/- each	10,00,00,000	10,00,00,000
Issued, subscribed and paid-up:		
5,308,634 (previous year : 5,308,634) equity shares of Rs.10/- each, fully paid-up	5,30,86,340	5,30,86,340
	5,30,86,340	5,30,86,340

a. Reconciliation of equity shares outstanding as at the beginning and at the end of reporting period

Particulars	31 March, 2016		31 December, 2014	
	Number	Amount	Number	Amount
Equity shares outstanding at the commencement of the period and at the end of the period	53,08,634	5,30,86,340	53,08,634	5,30,86,340

b. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2016, the amount of per share dividend recognised as distribution to equity shareholders was Rs 4 per share (previous year: Rs 1.5 per share). The dividend appropriation for the period ended March 2016 amounted to Rs 2,12,34,536 (previous year: Rs 79,62,951) plus corporate dividend tax of Rs 45,90,607 (previous year: Rs 16,21,066)

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

c. Equity shares held by Holding Company

Name of Shareholder	Relationship	31 March, 2016		31 December, 2014	
		Number	Amount	Number	Amount
Oronzio De Nora International B. V.	Holding Company	28,49,500	2,84,95,000	28,49,500	2,84,95,000

d. Equity shares in the Company held by each shareholder holding more than 5% shares

Name of Shareholder	Relationship	31 March, 2016		31 December, 2014	
		Number	Percentage	Number	Percentage
Oronzio De Nora International B. V.	Holding Company	28,49,500	53.68%	28,49,500	53.68%

e. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Pursuant to the Shareholders' approval for buyback of equity shares under Section 77A of the Companies Act, 1956, the Company had bought back 1,35,451 during the year ended 31 December, 2012, through open market transactions for an aggregate amount of Rs 1,34,32,195. The said shares have been subsequently extinguished. Capital redemption reserve was created by transfer of Rs 13,54,510 during the year ended 31 December, 2012 from General Reserve being the nominal value of shares bought back in terms of Section 77AA of the Companies Act, 1956.



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

	31 March, 2016	31 December, 2014
4 Reserves and surplus		
Capital redemption reserve		
Balance at the commencement of the period/ year	24,65,000	24,65,000
Balance at the end of the period/ year	24,65,000	24,65,000
Securities premium account		
Balance at the commencement of the period/ year	7,36,07,945	7,36,07,945
Balance at the end of the period/ year	7,36,07,945	7,36,07,945
General reserve		
Balance at the commencement of the period/ year	5,87,00,297	5,44,47,752
Add: Transfer from surplus in the Statement of profit and loss	1,19,76,065	42,52,545
Balance at the end of the period/ year	7,06,76,362	5,87,00,297
Surplus in statement of profit and loss		
Balance at the commencement of the period/ year	20,47,82,584	17,58,25,930
Add: Profit for the period/ year	11,97,60,646	4,25,25,454
Less: Proposed equity dividend [amount Rs 4 per share (previous year: Rs 1.5 per share)]	2,12,34,536	79,62,951
Less: Tax on proposed dividend	45,90,607	13,53,304
Less: Transfer to general reserve	1,19,76,065	42,52,545
Balance at the end of the period/ year	28,67,42,022	20,47,82,584
	43,34,91,329	33,95,55,826

	31 March, 2016	31 December, 2014
5 Long - term provisions		
Provision for employee benefits		
Provision for compensated absences	24,04,216	69,76,218
Provision for gratuity (refer note 33)	-	28,10,619
Other provisions		
Provision for warranties (refer note 32)	-	2,72,624
	24,04,216	1,00,59,461

	31 March, 2016	31 December, 2014
6 Trade payables		
Trade payables		
Payables to Micro and Small Enterprises*	-	-
Payables to others	3,63,51,309	1,95,49,988
	3,63,51,309	1,95,49,988

* There are no amounts due to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006. This information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose.



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

	31 March, 2016	31 December, 2014
7 Other current liabilities		
Advances received from customers	6,72,590	4,77,666
Amount liable to be deposited in Investor Education and Protection Fund (IEPF) but not yet due for deposit		
- Unpaid dividend	13,47,703	14,92,235
- Statutory dues*	41,33,511	58,65,204
- Employee payables	73,03,897	46,69,975
- Accrual of expenses	1,71,33,659	2,36,54,155
- Creditors towards purchase of fixed assets	29,96,395	1,84,000
	3,35,87,755	3,63,43,235
*It comprises of service tax, tax deducted at source, excise duty and sales tax.		

	31 March, 2016	31 December, 2014
8 Short - term provisions		
Provision for employee benefits		
Provision for compensated absences	8,28,972	5,62,707
Other provisions		
Proposed equity dividend	2,12,34,536	79,62,951
Tax on proposed equity dividend	43,22,842	13,53,304
Provision for warranties (refer note 32)	1,87,95,057	1,68,68,430
	4,51,81,407	2,67,47,392



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

9.A Tangible fixed assets

Description of assets	Gross block			Depreciation			Net block As at 31 March 2016
	As at 1 January 2015	Additions	Deletions	As at 31 March 2016	As at 1 January 2015	for the period	
Leasehold land	18,56,520 (18,56,520)	-	-	18,56,520 (18,56,520)	7,47,846 (7,28,304)	24,414 (19,542)	7,72,260 (7,47,846)
Office building	26,14,836 (26,14,836)	-	-	26,14,836 (26,14,836)	8,29,481 (7,86,277)	53,974 (43,204)	8,83,455 (8,29,481)
Factory building	4,91,66,004 (4,80,07,711)	5,54,472 (11,58,293)	-	4,97,20,476 (4,91,66,004)	2,51,25,064 (2,35,12,858)	20,58,650 (16,12,206)	2,71,83,714 (2,51,25,064)
Plant and machinery	10,39,80,739 (9,99,34,637)	1,30,84,836 (61,52,386)	-	11,70,65,575 (10,39,80,739)	7,03,33,111 (6,68,15,394)	68,98,652 (52,69,074)	7,72,31,763 (7,03,33,111)
Furniture and fixtures	83,68,461 (75,78,905)	3,89,781 (7,89,556)	-	87,58,242 (83,68,461)	64,35,822 (59,84,099)	2,47,021 (4,51,723)	66,82,843 (64,35,822)
Vehicles	42,66,946 (50,51,101)	5,75,000 (1,81,179)	8,07,494 (7,84,155)	40,34,452 (42,66,946)	21,08,483 (22,88,488)	5,12,204 (5,71,788)	18,13,193 (21,08,483)
Office equipments	69,73,423 (67,64,893)	3,10,301 (2,08,530)	-	72,83,724 (69,73,423)	44,13,981 (12,56,802)	8,86,362 (31,57,179)	53,00,343 (44,13,981)
Computers	51,93,024 (51,37,524)	3,74,443 (55,500)	-	55,67,467 (51,93,024)	44,91,635 (39,34,375)	5,89,586 (5,57,260)	50,81,221 (44,91,635)
Total	18,24,19,953 (17,69,46,127)	1,52,88,833 (83,64,265)	8,07,494 (28,90,439)	19,69,01,292 (18,24,19,953)	11,44,85,423 (10,53,06,597)	1,12,70,863 (1,16,81,976)	12,49,48,792 (11,44,85,423)

9.B Intangible fixed assets

Description of assets	Gross block			Amortisation			Net block As at 31 March 2016
	As at 1 January 2015	Additions	Deletions	As at 31 March 2016	As at 1 January 2015	for the period	
Software	15,95,325 (14,14,146)	88,928 (1,81,179)	-	16,84,253 (15,95,325)	10,71,118 (7,44,585)	3,25,440 (3,26,533)	13,96,558 (10,71,118)
Total	15,95,325 (14,14,146)	88,928 (1,81,179)	- (-)	16,84,253 (15,95,325)	10,71,118 (7,44,585)	3,25,440 (3,26,533)	13,96,558 (10,71,118)

Intangible asset under development

Opening balance as at 1 January 2015	1,24,90,701
Additions	76,31,043
Less: Assets capitalised during the period	11,56,500
Balance as at 31 March 2016	1,89,65,244

Note: Figures in brackets and italics pertains to the previous year.

Notes

The useful life of the fixed assets were revised in accordance with Schedule II to the Companies Act, 2013 which is applicable from accounting period commencing on or after 1 April 2014. Accordingly the Depreciation expenses for the year ended 31 December 2014 is increased by Rs. 15.7 lakhs.



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

	31 March, 2016	31 December, 2014
10 Non-current investments <i>(Valued at cost unless stated otherwise)</i>		
Non trade investments: quoted		
Investments in equity instruments		
10,000 (previous year: 2,000) equity shares of Bank of Baroda of Rs 2 each, (previous year Rs. 10 each) fully paid-up	1,70,000	1,70,000
	1,70,000	1,70,000
The aggregate book value and market value of quoted non-current investments is as follows:		
Quoted non-current investments		
Aggregate book value	1,70,000	1,70,000
Aggregate market value	13,21,000	21,67,800
11 Deferred tax assets (net)		
<i>Deferred tax assets</i>		
- Provision for warranty	65,04,593	92,25,244
- Provision for doubtful receivables	44,82,209	42,01,370
- Provision for inventory obsolescence	94,56,414	57,84,833
- Employee benefits	11,18,942	35,17,811
- Others	15,55,338	7,547
Total deferred tax assets	2,31,17,496	2,27,36,805
<i>Deferred tax liabilities</i>		
Timing differences on account of:		
- Excess of depreciation/ amortisation on fixed assets under income-tax law over depreciation/ amortisation provided in accounts	72,20,259	68,71,888
Total deferred tax liabilities	72,20,259	68,71,888
Deferred tax assets, net	1,58,97,237	1,58,64,917
12 Long-term loans and advances		
Advances for supply of goods and services	-	13,51,790
Less: Provision for doubtful advances	-	13,51,790
	-	-
Unsecured, considered good		
Loans to staff	-	3,24,636
Gratuity fund balance (refer note 33)	3,22,853	-
Advance income tax (net of provision for tax)	1,30,23,497	75,86,391
	1,33,46,350	79,11,027
13 Other non-current assets		
Bank deposits (due to mature after 12 months from the reporting date) (refer note 17)	10,00,00,000	1,33,95,242
	10,00,00,000	1,33,95,242



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

	31 March, 2016	31 December, 2014
14 Current investments		
<i>(valued at lower of cost and fair value)</i>		
Investments in mutual funds - unquoted		
3,976 (previous year 83,23,141) units of HDFC Cash Management Fund - Savings Plan - daily dividend reinvestment	42,28,621	4,00,28,245
9,52,349 (previous year 9,52,349) unit of HDFC Short Term Opportunities Fund dividend payout.	96,18,921	96,18,921
86,857 (previous year 48,81,879) units of HDFC Cash Management Fund Savings Plan	9,23,85,147	4,85,00,000
84,939 (previous year 44,376) units in Tata Floater Fund Plan A - weekly dividend payout	8,56,85,236	4,47,70,733
	19,19,17,925	14,29,17,899
Aggregate book value of unquoted investment	19,19,17,925	14,29,17,899

	31 March, 2016	31 December, 2014
15 Inventories		
<i>(valued at lower of cost and net realisable value)</i>		
Raw materials	3,78,41,196	5,41,68,226
[including goods-in-transit Rs 31,59,995 (previous year: Rs 6,136)		
Work-in-progress	1,44,45,045	22,00,662
Finished goods and stock in trade	48,32,185	80,64,880
Stores and spares	21,31,391	25,42,147
	5,92,49,817	6,69,75,915

	31 March, 2016	31 December, 2014
16 Trade receivables		
Receivables outstanding for a period exceeding six months from the date they became due for payment		
(a) Unsecured, Considered good:	6,60,389	53,30,551
(b) Doubtful:	43,70,537	69,55,731
Less: Provision for doubtful receivables	(43,70,537)	(69,55,731)
(A)	6,60,389	53,30,551
Other receivables		
(a) Unsecured, considered good:	10,37,54,128	11,09,43,261
(b) Doubtful:	85,80,831	54,04,876
Less: Provision for doubtful receivables	(85,80,831)	(54,04,876)
(B)	10,37,54,128	11,09,43,261
(A) + (B)	10,44,14,517	11,62,73,811



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

	31 March, 2016	31 December, 2014
17 Cash and bank balances		
Cash and cash equivalents		
- Cash on hand	46,739	17,152
- Balances with banks		
- in current accounts	1,16,61,576	13,00,193
- in exchange earner's foreign currency account	7,74,299	99,585
	1,24,82,614	14,16,930
Other bank balances		
- In deposits accounts with original maturity of more than three months but less than twelve months	-	1,80,00,000
- Unpaid dividend accounts*	13,47,700	14,92,235
	1,38,30,314	2,09,09,165
Details of bank balances and deposits		
- Bank deposit with original maturity of 3 months or less included and Cash and cash equivalents	-	-
- Bank deposits due to mature within 12 months of the reporting date included and Other bank balances	-	1,80,00,000
- Bank deposits (due to mature after 12 months from the reporting date) (Other non-current assets) (refer note 13)	10,00,00,000	1,33,95,242
	10,00,00,000	3,13,95,242
* The above includes an amount of Rs. 13,47,700 (previous year Rs. 14,92,235) restricted in use on account of unpaid dividend.		

	31 March, 2016	31 December, 2014
18 Short-term loans and advances (unsecured, considered good)		
Loans to staff	10,50,473	8,21,259
Advances to staff	55,270	6,83,207
Advance for supply of goods and services	52,19,187	7,21,794
Security deposits	10,40,618	12,63,201
Prepaid expenses	16,32,560	14,05,345
Revenue deposit with Customs authorities	15,07,294	-
Balance with Government authorities	35,65,355	17,86,696
	1,40,70,757	66,81,502

	31 March, 2016	31 December, 2014
19 Other current assets (unsecured, considered good)		
Interest accrued on fixed deposits with banks	-	5,63,626
Income tax refund receivable	-	1,27,29,700
	-	1,32,93,326



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
20 Revenue from operations (gross)		
Sale of products		
- Finished goods	20,61,69,052	9,90,54,364
- Traded goods	1,00,84,183	1,75,89,965
Sale of products (gross)	21,62,53,235	11,66,44,329
Less: Excise duty	(98,58,874)	(78,07,481)
Sale of products (net)	20,63,94,361	10,88,36,848
Sales of services		
- Recoating	29,75,39,516	19,43,46,018
- Annual maintenance charges	37,26,434	14,45,281
Other operating revenue		
- Scrap sales	7,19,903	5,78,078
	51,82,39,088	31,30,13,706
Break up of revenue from sale of finished goods		
Coated metal anodes	9,65,62,365	1,89,52,858
Electrochlorinators	2,91,60,132	3,08,11,685
Cathodic protection (anti corrosion) systems	8,04,46,555	4,92,89,821
	20,61,69,052	9,90,54,364
Break up of revenue from sale of traded goods		
Coated metal anodes	19,28,404	6,00,000
Electrochlorinators	53,33,624	26,25,673
Cathodic protection (anti corrosion) systems	28,22,155	1,43,64,292
	1,00,84,183	1,75,89,965

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
21 Other income		
Dividend income from current investments	1,60,62,290	61,64,848
Dividend income from non-current investments	32,000	43,000
Interest income on others	26,96,851	44,21,574
Net gain on foreign exchange fluctuations	71,291	-
Net profit on sale of fixed assets	2,38,571	-
Income from deputation services	57,24,036	14,75,233
Writeback of provision for warranty (net)	-	78,33,833
Writeback of provision for liquidated damages	1,00,00,000	-
Miscellaneous income	28,35,444	25,19,990
	3,76,60,483	2,24,58,478



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
22 Cost of materials consumed		
Inventory of materials at the beginning of the period/ year	5,41,68,226	8,61,39,202
Purchases	15,42,29,115	4,99,56,360
Inventory of materials at the end of the period/ year	3,78,41,196	5,41,68,226
	17,05,56,145	8,19,27,336
Purchase of stock-in-trade	46,47,926	1,17,72,253
Breakup of cost of material consumed		
Chemicals	6,80,16,175	4,09,46,828
Titanium metal	66,89,531	40,97,999
Canisters/ strings/ strips/ cables	44,62,606	56,15,174
Components for electro chlorinators	-	78,25,152
Others	9,13,87,833	2,34,42,183
	17,05,56,145	8,19,27,336
Breakup of purchase of stock-in-trade		
Titanium metal	34,46,214	1,16,29,787
Components for electro chlorinators	9,43,247	1,14,445
Others	2,58,465	28,021
	46,47,926	1,17,72,253

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
23 Changes in inventory of finished goods, work-in-progress and stock-in-trade		
<u>Inventories at the end of the year:</u>		
Finished goods and stock in trade	48,32,185	80,64,880
Work-in-progress	1,44,45,045	22,00,662
Sub-total	1,92,77,230	1,02,65,542
<u>Inventories at the beginning of the year:</u>		
Finished goods and stock in trade	80,64,880	1,46,48,476
Work-in-progress	22,00,662	85,89,786
Sub-total	1,02,65,542	2,32,38,262
Net (increase) / decrease	(90,11,688)	1,29,72,720
Break-up of inventories		
Finished goods and stock-in-trade		
Coated metal anodes	19,82,881	46,83,531
Electrochlorinators	10,41,062	28,99,243
Cathodic protection (anti corrosion) systems	18,08,242	4,82,106
	48,32,185	80,64,880



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

Work-in-progress		
Coated metal anodes	1,82,292	8,45,389
Cathodic protection (anti corrosion) systems	7,93,084	3,99,934
Electrochlorinators	1,34,69,669	9,55,339
	1,44,45,045	22,00,662

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
24 Employee benefits expense		
Salaries, wages and bonus	5,54,12,748	3,50,92,937
Gratuity (refer note 33)	20,12,229	17,38,569
Contribution to provident and other funds (refer note 33)	51,47,785	33,44,912
Compensated absences	14,72,243	24,23,970
Staff welfare expenses	56,22,879	37,89,632
	6,96,67,884	4,63,90,020

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
25 Finance costs		
Interest expenses	13,745	33,434
	13,745	33,434

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
26 Depreciation and amortisation		
Depreciation on tangible fixed assets	1,12,70,863	1,16,81,976
Amortisation on intangible fixed assets	3,25,440	3,26,533
	1,15,96,303	1,20,08,509



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
27 Other expenses		
Consumption of stores and spare parts	1,30,79,381	98,10,197
Consumption of packing material	2,53,859	1,34,440
Job work charges	6,33,691	5,09,588
Labour charges	1,06,00,883	69,20,742
Installation, commissioning and repair cost of electrochlorinators	21,72,869	22,57,415
Power, fuel and water	86,43,063	59,53,252
Freight and forwarding	10,43,658	10,72,546
Rent	66,000	48,000
Repairs and maintenance		
- Building	38,87,915	15,17,677
- Machinery	27,77,586	24,81,260
- Others	9,12,684	7,44,142
Insurance	30,11,736	21,13,170
Rates and taxes	10,42,075	26,33,229
Travelling expenses	1,47,28,043	1,00,74,022
Legal and professional fees	2,21,70,283	2,44,67,385
Auditors' remuneration (refer note below)	17,24,766	10,40,812
Commission	19,52,176	9,04,641
Advertising and sales promotion	8,69,881	19,44,374
Bank charges	12,08,060	15,94,657
Telephone and other communication expenses	16,70,154	15,91,462
Printing and stationery	8,66,000	8,66,554
Warranty cost (net)	16,54,003	-
Advances written off	48,007	7,84,641
Provision for doubtful receivables	5,90,761	77,54,248
Net loss on account of foreign exchange fluctuations	-	5,54,510
Corporate Social Responsibility 'CSR' expenses	7,04,439	-
Net loss on sale of fixed assets	-	1,05,177
Donation	11,001	20,001
Royalty	1,58,50,544	1,05,49,155
Miscellaneous expenses	65,25,766	38,77,640
	11,86,99,284	10,23,24,936
Note: Auditors' remuneration (excluding service tax)		
As Auditor		
Statutory audit	6,20,000	3,07,500
Tax accounts	1,60,000	1,60,000
Limited review of quarterly results	8,00,000	4,50,000
Reimbursement of expenses	1,44,766	1,23,312
	17,24,766	10,40,812



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
28 Contingent liabilities and other commitments		
<u>Contingent liabilities</u>		
<i>Claims in respect of:</i>		
Excise matters*	11,32,341	14,67,590
* Excise duty on assessable value consequent to the benefit availed under the Goa Value Added Tax Deferment-cum-net present value compulsory payment scheme, 2005		

29 Related party transactions

a) Parties where control exists

Name of related party	Relationship
Oronzio De Nora International B.V.	Holding Company (holds 53.68% of the equity share capital as at 31 March 2016)
Industrie De Nora S.p.A.	Ultimate Holding Company ('UHC')

b) Other related parties with whom transactions have taken place during the year.

Name of related party	Relationship
i. Industrie De Nora S.p.A., Singapore Branch De Nora Elettrodi (Suzhou) Ltd. De Nora Tech Inc.	Entities under common control ('EUCC')
ii. De Nora Deutschland GmbH De Nora Do Brasil Ltd. De Nora Water Technologies Texas, LLC De Nora Water Technologies, LLC - Singapore Branch	Fellow Subsidiaries ('FS')
iii. Vinay Chopra (Director)	Key Management Personnel ('KMP')

c) Transactions with related parties have been set out below

Transactions	UHC	HC	EUCC	FS	KMP	Total
Purchase of raw materials, trading goods and spares	3,38,37,148	-	23,65,049	47,31,605	-	4,09,33,802
	(15,21,675)	-	(93,42,019)	(26,05,365)	-	(1,34,69,059)
Commission paid	56,950	-	-	-	-	56,950
	(21,775)	-	-	-	-	(21,775)
Services received	1,45,45,665	-	-	90,06,647	-	2,35,52,312
	(1,64,23,905)	-	(4,02,729)	(27,28,908)	-	(1,95,55,542)
Purchase of intangible assets	75,73,905	-	-	-	-	75,73,905
	(58,04,481)	-	-	-	-	(58,04,481)
Purchase of tangible assets	-	-	-	4,35,429	-	4,35,429
	-	-	-	-	-	-
Payment of royalty	1,58,50,544	-	-	-	-	1,58,50,544
	(1,05,49,155)	-	-	-	-	(1,05,49,155)
Reimbursement of expenses	6,41,616	-	-	-	-	6,41,616
	(4,15,671)	-	-	-	-	(4,15,671)
Sale of goods and services	-	-	-	36,31,976	-	36,31,976



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

	(57,172)	-	(9,15,552)	(76,77,814)	-	(86,50,538)
Recovery of expenses	-	-	22,81,510	34,42,526	-	57,24,036
	-	-	(14,75,233)	-	-	(14,75,233)
Dividends paid	-	42,74,250	-	-	-	42,74,250
	-	(1,13,98,700)	-	-	-	(1,13,98,700)
Remuneration*	-	-	-	-	25,95,406	25,95,406
	-	-	-	-	(22,35,450)	(22,35,450)

d)

<u>Balance outstanding as on</u> <u>31 March 2016</u>						
- Receivables	-	-	5,03,367	26,60,287	-	31,63,654
	-	-	-	(5,37,812)	-	(5,37,812)
- Payables	1,11,44,565	-	-	61,05,012	-	1,72,49,577
	(1,06,80,519)	-	-	(95,734)	-	(1,07,76,253)

*The above amount does not include gratuity and leave encashment benefits which is actuarially determined on an overall basis for the Company and individual information in respect of the directors is not available.

Previous year numbers are in bracket.

e) Name of the parties having related party transactions in excess of 10% in line transactions.

Name of the related party	Transactions	31 March ,2016	31 December, 2014
De Nora Deutschland GmbH	Purchase of raw materials, trading goods and spares	47,31,605	26,05,365
De Nora Elettrodi (Suzhou) Ltd	Purchase of raw materials, trading goods and spares	8,73,768	17,23,833
De Nora Tech Inc	Purchase of raw materials, trading goods and spares	14,91,281	76,18,186
De Nora Deutschland GmbH	Purchase of services	36,12,047	27,28,908
De Nora Elettrodi (Suzhou) Ltd	Purchase of services	-	4,02,729
De Nora Water Technologies, LLC - Singapore Branch	Purchase of Service	53,94,600	-
De Nora Deutschland GmbH	Purchase of tangible assets	4,35,429	-
De Nora Deutschland GmbH	Sale of goods and services	36,31,976	76,77,814
Industrie De Nora S.p.A. (Singapore)	Sale of goods and services	-	9,15,552
De Nora Elettrodi (Suzhou) Ltd	Recovery of expenses	22,81,510	14,75,233
De Nora Water Technologies Texas, LLC	Recovery of expenses	34,42,526	-
Vinay Chopra (Director)	Remuneration paid to Key Managerial Personnel	25,95,406	22,35,450
De Nora Elettrodi (Suzhou)	- Receivables	5,03,367	-
De Nora Water Technologies Texas, LLC	- Receivables	16,77,905	70,185
De Nora Deutschland GmbH	- Receivables	9,82,382	4,67,627
De Nora Deutschland GmbH	- Payables	7,10,412	6,136
De Nora Water Technologies, LLC - Singapore Branch	- Payables	53,94,600	89,598



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

30 Earnings per share

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the period.

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
Weighted average number of equity shares outstanding	53,08,634	53,08,634
Net profit after tax available for equity shareholders	11,97,60,646	4,25,25,454
Basic and diluted earnings per equity share of Rs 10 each	22.56	8.01

31 Segment information

The Company's primary (business) segment is singular viz. "Electrolytic Products". Further, the Company caters mainly to the needs of the domestic market. The export turnover is not significant in proportion to the total turnover. As such, there are no reportable geographic segments either. Therefore, segment information required by Accounting Standard 17 (AS-17) notified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014, is not furnished.

32 Disclosure relating to provisions

Warranties/ recoating

The Company offers warranties for one of the critical parts of certain electrochlorinators and for some of its coating / recoating services for an initial period of two years followed for a period of four years in the case of electrochlorinators and for a period of six years in the case of coating, eight years in case of recoating services during which period amounts are recoverable from the customers based on pre-defined terms. Estimated costs from warranty terms standard to the deliverable are recognised when revenue is recorded for the related deliverable. The Company estimates its warranty costs standard to the deliverable based on historical warranty claim experience and applies this estimate to the revenue stream for deliverables under warranty. Future costs for warranties applicable to revenue recognised in the current period are charged to the revenue account.

The warranty accrual is reviewed periodically to verify that it properly reflects the remaining obligation based on the anticipated expenditures over the balance of the obligation period. Adjustments are made when the actual warranty claim experience differs from estimates. Provisions include estimated costs of support maintenance contracts to the extent such estimated costs are expected to exceed the expected recovery during the obligation period. No assets are recognised in respect of the expected recovery on support contracts.

Factors that could impact the estimated claim information include the Company's productivity, costs of materials, power and labour, and the actual recoveries on support contracts.

The movement in the provision for warranties/ recoating are summarised as under :

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
Opening carrying amount	1,71,41,054	2,70,83,918
Additional provisions made during the period/ year	96,62,154	6,67,442
Unused amounts reversed/charged during the period/ year	80,08,151	1,06,10,306
Closing carrying amount	1,87,95,057	1,71,41,054

Most of the outflows are expected to take place within 1 year from the balance sheet date and the remaining are expected to be incurred over 8 years from the balance sheet date.



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

33 Employee benefits

a) Defined Contribution Plans

The Company offers its employees defined contribution plan in the form of provident fund, family pension fund and superannuation fund. Provident fund and family pension fund cover substantially all regular employees while the superannuation fund covers certain executives. The Company makes specified monthly contributions towards employees provident fund to government administrative provident fund scheme which is a defined contribution plan. Contributions are paid during the period into separate funds under certain approved securities. While both the employees and the Company pay predetermined contributions into the provident fund, contributions into the family pension fund and the superannuation fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. The Company does not have any obligation beyond the amounts already contributed.

A sum of Rs 51,47,785 (previous year Rs 33,44,912) has been charged to the revenue account in this respect, comprising of the following:

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
Provident Fund	20,05,401	14,82,390
Family Pension Fund	13,81,514	6,99,818
Superannuation Fund	17,60,870	11,62,704
Total	51,47,785	33,44,912

b) Defined-Benefit Plans

The Company offers its employees defined-benefit plans in the form of a gratuity scheme. Benefits under the defined benefit plan is typically based on years of service and the employee's compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees. The Company contributes funds to Life Insurance Corporation of India, which is irrevocable. Commitments are actuarially determined at year-end. The actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to the statement of profit and loss.

i. Reconciliation of opening and closing balance of obligation

	For the fifteen months ended 31 March, 2016	For the year ended 31 December 2014
Liability at the beginning of the year	1,23,96,292	99,36,426
Current service cost	12,17,399	6,54,990
Interest cost	12,93,043	8,82,245
Benefits paid	(63,092)	-
Actuarial loss on obligations	7,06,592	9,22,631
Liability at the end of the year	1,55,50,234	1,23,96,292

ii. Reconciliation of opening and closing balance of fair value of plan assets

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
Fair value of plan assets at the beginning of the year	95,85,673	69,84,398
Expected return on plan assets	12,20,103	6,93,384
Contributions by the employer	51,45,701	18,79,978
Benefits paid	(63,092)	-
Actuarial gain / (loss) on plan assets	(15,298)	27,913
Fair value of plan assets at the end of the year	1,58,73,087	95,85,673

The plan assets of the Company are managed by the Life Insurance Corporation of India and the composition of investments relating to these assets are not available with the Company.



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

<i>iii. Expenses recognised on defined benefit plan in the statement of profit and loss</i>					
	For the fifteen months ended 31 March 2016	For the year ended 31 December 2014			
Current service cost	12,17,399	6,54,990			
Interest expense	12,93,043	8,82,245			
Expected return on investment	(12,20,103)	(6,93,384)			
Net actuarial (gain) / loss	7,06,592	9,22,631			
Actuarial Gains/(Losses) on Plan Assets	15,298	(27,913)			
Expenses recognised in the profit and loss account	20,12,229	17,38,569			
<i>iv. Amount recognised on defined benefit plan in the Balance sheet</i>					
	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014			
Present value of the commitment	1,55,50,234	1,23,96,292			
Fair value of plan assets	1,58,73,087	95,85,673			
Net (asset) / liability recognised in the balance sheet	(3,22,853)	28,10,619			
<i>v. Actual return on plan assets</i>					
	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014			
Expected return on plan assets	12,20,103	6,93,384			
Actuarial gains on plan assets	(15,298)	27,913			
Actual return on plan assets	12,04,805	7,21,297			
<i>vi. Principal actuarial assumptions</i>					
Discount rate	7.89%	7.95%			
Expected rate of return on plan assets	8.00%	8.75%			
Salary increment rate	8.00%	8.00%			
Mortality rates	IALM (2006-08)	IALM (2006-08)			
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors such as demand and supply in the employment market.					
<i>vii. Net assets / (liabilities) recognised in the Balance Sheet as at respective year ends and experience adjustments</i>					
Particulars	For the fifteen months ended	For the year ended	For the year ended	For the year ended	For the year ended
	31 March 2016	31 December 2014	31 December 2013	31 December 2012	31 December 2011
Fair value of plan assets, end of period	1,58,73,087	95,85,673	69,84,398	79,26,531	70,78,404
Projected benefit obligation, end of period	1,55,50,234	1,23,96,292	99,36,426	85,87,636	71,26,160
(Surplus) / Deficit in the plan	(3,22,853)	28,10,619	29,52,028	6,61,104	47,756
Experience adjustments on plan assets	63,849	27,913	-	10,761	-
(Gains)/losses due to change in assumptions	4,19,751	7,01,796	10,15,477	1,40,685	(1,49,643)
Experience losses on present benefit obligation	(4,93,322)	2,20,835	7,65,841	5,01,567	4,28,046
Total loss	(73,571)	9,22,631	17,81,318	6,42,252	2,78,403



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

34 Transactions in foreign currency

a) Earnings in foreign currency

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
Value of exports on a Free On Board ('FOB') basis	87,19,521	1,16,05,921
Income from deputation services	57,24,036	14,75,233
	1,44,43,557	1,30,81,154

b) Expenditure in foreign currency

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
Travelling expenses	20,84,737	12,32,760
Purchase of services	2,35,52,312	1,95,55,542
Royalty	1,58,50,544	1,05,49,155
Reimbursement of expenses	6,41,616	4,15,671
Commission	56,950	21,775
	4,21,86,159	3,17,74,903

c) Remittance of dividend in foreign currency

	For the fifteen months ended 31 March ,2016	For the year ended 31 December, 2014
Amount remitted in foreign currency	42,74,250	1,13,98,700
Dividend for the year ended	31-Dec-14	31-Dec-13
Number of non-resident share holders	1	1
Number of shares held	28,49,500	28,49,500

d) Value of imports on Cost, Insurance and Freight ('CIF') basis

	For the fifteen months ended 31 March ,2016	For the year ended 31 December, 2014
Raw material	10,71,58,893	3,42,01,477
Tangible assets	53,57,172	-
Intangible assets	76,31,043	62,47,920
	12,01,47,108	4,04,49,397



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

e) *Foreign currency exposures*

The Company does not enter into any derivative contracts to hedge its risk associated with foreign currency fluctuations. The unhedged foreign currency exposure on the receivables and payables at the period end is given below:

	For the fifteen months ended 31 March, 2016		For the year ended 31 December, 2014	
	Rs	Euros (€)	Rs	Euros (€)
i. Amounts denominated in Euros				
Receivables	29,95,194	40,366	25,50,771	33,403
Payables	2,09,64,380	2,76,757	1,07,70,117	1,41,037
ii. Amounts denominated in US Dollars ('USD')				
Receivables	16,95,353	25,750	97,209	1,500
Payables	55,21,412	82,904	6,136	97
iii. Amounts denominated in GBP ('GBP')				
Payables	28,65,692	27,327	-	-

f) *Details of imported and indigenous raw materials, components and spare parts consumed during the period : -*

	For the fifteen months ended 31 March, 2016		For the year ended 31 December, 2014	
	Value (Rs)	% of total consumption	Value (Rs)	% of total consumption
<i>Raw material:</i>				
Imported	12,88,41,492	76	4,83,77,585	59
Indigenous	4,17,14,653	24	3,35,49,751	41
	17,05,56,145	100	8,19,27,336	100
<i>Stores and spares:</i>				
Imported	-	-	-	-
Indigenous	1,30,79,381	100	98,10,197	100
	1,30,79,381	100	98,10,197	100

35 Disclosure in accordance with Accounting Standard – 7 (Revised)

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
a) Contract revenue (net of excise)	-	-
b) Disclosure for contracts in progress:		
(i) Aggregate amount of costs incurred	-	-
(ii) Recognized profits (net of recognized losses)	-	-
(iii) Retention money	-	20,02,850
c) Gross amount due from customers for contract work	-	-
d) Gross amount due to vendors for contract work	23,00,000	23,00,000



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

36 Taxation

- a) The tax year for the Company being the year ending 31 March 2016, the ultimate tax liability will be determined on the basis of the results for the period 1 April 2015 to 31 March 2016.
- b) The Company's international transactions with associated enterprises are at arm's length as per the independent accountant's report for the year ended 31 March 2015. The Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the period subsequent to 31 March 2016. Management believes that the Company's international transactions with associated enterprises post 31 March 2015 continue to be at arm's length and that the transfer pricing legislation will not have any impact on the financial statements particularly on the amount of the tax expense for the year and the amount of the provision for taxation at the year end.

37 Corporate Social Responsibility (CSR) expenditure

The Company has set up a Corporate Social Responsibility (CSR) Committee as per Section 135 and Schedule VII of the Companies Act, 2013 ('the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company is in the process of identifying the Projects for CSR spending. The efforts are being undertaken to implement the same in the financial year 2016-17.

- a) Gross amount required to be spent by the Company for the fifteen months ended 31 March 2016 Rs. 21,46,994/-
- b) Amount spent during the year Rs 704,439/-

38 Dues to micro, small and medium enterprises:

Under the Micro Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro Small and Medium enterprises. On the basis of the information and records available with the Management, the following disclosures are made for the amounts due to the Micro Small and Medium enterprises, who have registered with the competent authorities:

	For the fifteen months ended 31 March, 2016	For the year ended 31 December, 2014
Principal amount remaining unpaid to any supplier as at the year end	-	-
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-



NOTES TO THE FINANCIAL STATEMENTS

for the fifteen months ended 31 March, 2016

(Currency: Indian Rupees)

39 Prior year comparatives

Previous year's figures have been regrouped/ reclassified as under, to confirm current year's classification. Figures for the 31 December 2014 were audited by a firm of chartered accountants other than B S R & Associates LLP.

Previous Caption	Current caption	Amount
Trade payables	Other current liabilities	1,84,000
Other non current assets	Other bank balances	1,05,00,000

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No : 116231W/W-100024

Shabbir Readymadewala

Partner

Membership No : 100060

M.A.Sundaram

Chairman

DIN : 00144607

Deepak Nagvekar

Chief Financial Officer

For and on behalf of the Board of Directors of
De Nora India Limited

CIN : L31200GA1993PLC001335

Vinay Chopra

Director

DIN : 06543610

Jyoti Bandodkar

Company Secretary

Place: Mumbai

Date: 25 May, 2016

Place: Kundaim, Goa

Date: 25 May, 2016



SH- 13

**Please fill this Nomination form in Duplicate after carefully reading the instructions given below:
NOMINATION FORM**

**[Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies
(Share Capital and Debentures) Rules, 2014]**

To,
De Nora India Limited
Plot Nos. 184, 185 & 189, Kundaim Industrial Estate,
Kundaim, Goa – 403 115

I/We _____
residing at _____

the holder(s) of the securities particulars of which are given here under wish to make nomination and do here by nominate the following person in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of Securities	Folio No.	No. of securities	Certificate No.	Distinctive No.	
				From	To

2) PARTICULARS OF NOMINEE

Name:		Date of Birth: ____/____/____		Signature of the Nominee
Father's/ Mother's/ Spouse's name:		Occupation:	Nationality:	
E-mail id:				
Phone No :	Relationship with the security holder:			
Address: _____ _____			Pin code _____	

3) IN CASE NOMINEE IS A MINOR

Date of birth: ____/____/____	Date of attaining Majority: ____/____/____	Name of guardian:
Address of guardian: _____		
Pincode : _____		

Name of the Security Holder(s)	Signature
1.	
2.	
3.	
Name of witness	Signature of Witness with date
Address: _____ Pincode _____	
Place: _____ Date: ____/____/____	



1. The Nomination can be made by individuals only holding shares singly or jointly. Non-individuals including Society, Trust, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and Power of Attorney holder cannot nominate.
2. The nominee shall not be a Trust, Society, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and power of attorney holder.
3. The shareholder[s] can nominate a minor as a nominee and in that event the name and address of the guardian shall be provided.
4. As per section 72 of the Companies Act 2013, if the shares are held by more than one person jointly, then the jointholders may together nominate a person to whom all the rights in the shares of the Company shall vest, in the event of death of all the joint holders.
5. If the shares are held jointly, subsequent to the death of any one of the holders, the shares would not be registered in favour of the nominee but would be transferred in the name of the surviving shareholders.
6. The nomination form filled in “**duplicate**” should be lodged with the Registrar and Share transfer Agent of the Company i.e. **.M/s. Bigshare Services Private Limited, [Unit:De Nora India Limited], E-2 & 3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (E), Mumbai – 400 072.** The Registrar will return one copy of the nomination form to the shareholder after registering the nomination. The registration number allotted will be furnished in the said form.
7. The shareholder[s] can delete or change an earlier nomination by executing Form No. SH-14 (Cancellation or Variation of Nomination form)
8. Nomination stands cancelled whenever the shares in the given folio are transferred/dematerialized. Also in case of change in folio due to consolidation/ transmission a new nomination has to be filed.
9. The nomination made through Form No. SH-13 will be considered valid if the nomination made by the holder[s] of the shares is registered with the Company before the death of the registered holder[s] of the shares.
10. Kindly note that the nomination being a legal document should be dated by the nominator and the witness should certify that the nominator has signed the form in their presence. Furthermore, the date of execution on the Nomination Form should match with the date of witness, witnessing the document.
11. A copy of photo identity proof (like PAN/Passport) of nominee is required.

FOR OFFICE USE ONLY		
Nomination Registration No.	Date of Registration	Signature of Employee with Code No.



BANK ACCOUNT PARTICULARS/NECS MANDATE FORM

I/We _____ are holding _____ shares against Folio

No. _____ (Physical mode) and _____ shares (Demat mode) against Client ID No. _____ DP ID

No. _____ and do hereby authorise DE NORA INDIA LIMITED

1. To print the following details on my/our dividend warrant
2. To credit my dividend amount directly to my Bank Account in accordance with RBI's scheme (Strike out whichever is not applicable)

Particulars of Bank Account:

- A. Bank Name : _____
- B. Branch Name : _____
- Address (for Mandate only) : _____
- C. 9 Digit Code number of the Bank & Branch : _____
- name appearing on the MICR cheque : _____
- D. Account Type (Saving/Current) : _____
- E. Account No. as appearing on the cheque : _____
- book (Core Banking A/c No.) : _____
- F. STD Code & Telephone No. : _____

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/we would not hold the Company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained till I/we hold the securities under the above mentioned Folio No./Beneficiary Account.

Mail To: **Bigshare Services Private Limited,**
E- 2 & 3, Ansa Industrial Estate,
Saki Vihar Road, Sakinaka,
Andheri (E), Mumbai – 400 072
Ph. No.: 022 4043 0200/4043 0294

Signature of the Shareholder

Note: Please attach the photocopy of a cheque or a blank cancelled cheque issued by your Bank relating to your above account for verifying the accuracy of the bank details.



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