

DEEPAK PHENOLICS LIMITED
(Formerly known as Deepak Clean Tech Limited)

Balance Sheet as at March 31, 2016

	Note No.	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	6,184.41	1,405.00
Reserves and Surplus	3	(295.15)	(46.28)
		5,889.26	1,358.72
Share Application Money Pending Allotment	4	-	510.00
Non-Current Liabilities			
Long-Term Borrowings		-	-
Deferred Tax Liability		-	-
Other Long-Term Liabilities		-	-
Long-Term Provisions	7	12.83	-
		12.83	-
Current Liabilities			
Short-Term Borrowings	5	3,361.18	-
Trade Payables	6a	387.74	16.81
Other Current Liabilities	6b	189.05	547.68
Short-Term Provisions	7	2.88	-
		3,940.85	564.49
TOTAL		9,842.94	2,433.21
ASSETS			
Non-Current Assets			
Fixed Assets			
Fixed Assets	8	61.90	-
Tangible Assets		-	-
Intangible Assets		-	-
Capital Work-in-Progress	9	2,161.74	598.37
Non-Current Investments		-	-
Long-Term Loans and Advances	11	4,002.73	1,799.28
Other Non-Current Assets	12	1.04	1.57
		6,227.41	2,399.22
Current Assets			
Inventories	13	16.70	-
Trade Receivables	14	1,684.76	-
Cash and Cash Equivalents	15	255.65	32.35
Short-Term Loans and Advances	11	27.42	1.11
Current Investments	10	1,627.34	-
Other Current Assets	12	3.66	0.53
		3,615.53	33.99
TOTAL		9,842.94	2,433.21
Notes to Financial Statements	1		

The accompanying notes form an integral part of the Balance Sheet.

As per our report of even date

For and on behalf of the Board

For B. K. KHARE & CO.

Chartered Accountants

Firm Registration No.105102W

D. C. MEHTA
Managing Director

SANJAY UPADHYAY
Director

Himanshu Chapsey

Partner

Membership No. 105731

SHRIPAD GUMASTE
Director

SANDESH ANAND
Director

S P BANDOPADHYAY
Chief Financial Officer

ARVIND BAJPAI
Company Secretary

Mumbai , 04 May, 2016

Vadodara , 04 May, 2016

DEEPAK PHENOLICS LIMITED
(Formerly known as Deepak Clean Tech Limited)

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

	Note No.	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
INCOME			
Revenue from Operations (Gross)	16	3,720.74	-
Less: Excise Duty		14.58	-
Revenue from Operations (Net)		3,706.16	-
Other Income	17	4.89	1.42
Total Revenue		3,711.05	1.42
EXPENSES			
Purchase of Traded Goods	18	3,587.45	-
(Increase)/Decrease in Inventories of Traded Goods	19	(15.18)	-
Employee Benefits Expenses	20	173.41	-
Depreciation Expenses	21	9.23	-
Finance Costs	22	58.26	-
Other Expenses	23	146.75	46.53
Total		3,959.92	46.53
Loss before Tax		(248.87)	(45.11)
Tax Expenses			
Current Tax		-	-
Deferred Tax Charge		-	-
Total Tax Expenses		-	-
Loss for the year		(248.87)	(45.11)
Earning per Equity Share			
Basic (in Rs.)	25	(0.68)	(1.25)
Diluted (in Rs.)	25	(0.68)	(1.23)
Face Value Per Share (in Rs.)		10.00	10.00
Notes to Financial Statements	1		

The accompanying notes form an integral part of the Statement of Profit & Loss .

As per our report of even date

For and on behalf of the Board

For B. K. KHARE & CO.

Chartered Accountants

Firm Registration No.105102W

D. C. MEHTA
Managing Director

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Company Secretary

Mumbai , 04 May, 2016

Vadodara , 04 May, 2016

DEEPAK PHENOLICS LIMITED
(Formerly known as Deepak Clean Tech Limited)
CASH FLOW STATEMENT

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax from Continuing Operations	(248.87)	(45.11)
Profit Before Tax	(248.87)	(45.11)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Add:		
1. Depreciation / Amortisation on Continuing Operations	9.23	-
2. Provision for Doubtful Debts	1.71	-
3. Interest Expenses	19.87	-
4. Interest Income	(3.54)	-
5. Dividend (Income)	(1.35)	(1.42)
Operating Profit Before Working Capital changes	(222.95)	(46.53)
Less:		
Movements in Working Capital :		
1. Increase / (Decrease) in Trade Payables & Other Current Liabilities & Provision	28.01	563.66
2. Decrease / (Increase) in Trade Receivables	(1,686.47)	-
3. Decrease / (Increase) in Inventories	(16.70)	-
4. Decrease / (Increase) in Long-Term Loans and Advances & Other Non Current Assets	(421.42)	(233.21)
5. Decrease / (Increase) in Short-Term Loans and Advances	(26.31)	(1.11)
6. Decrease / (Increase) in Other Current Assets	(3.13)	-
Cash generated from /(used in) Operations	(2,348.97)	282.81
Income Taxes paid	(0.92)	-
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A)	(2,349.89)	282.81
B. CASH FLOW FROM INVESTING ACTIVITIES		
1. Purchase of Fixed Assets, including Capital Work in Progress & Capital Advances	(3,415.08)	(2,163.91)
2. Purchase of Current Investments	(3,442.34)	(250.00)
3. Proceeds from sale of Current Investments	1,815.00	250.00
4. Interest received	3.54	-
5. Dividends received	1.35	1.42
NET CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES (B)	(5,037.53)	(2,162.49)
C. CASH FLOW FROM FINANCING ACTIVITIES		
1. Proceeds from issue of Equity Share	4,269.41	1,400.00
2. Proceeds from Share Application Money Pending Allotment	-	510.00
3. Net Proceeds from Working Capital Borrowings	1,361.18	-
4. Proceeds from Short-Term Borrowings	2,000.00	-
5. Interest paid	(19.87)	-
NET CASH FLOW FROM/ (USED IN) IN FINANCING ACTIVITIES (C)	7,610.72	1,910.00
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	223.30	30.32
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	32.35	2.03
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	255.65	32.35

Components of Cash and Cash equivalents		
Balances with Banks:		
- In Current Accounts	135.65	32.35
Cash in hand	-	-
	135.65	32.35
Other Bank Balances		
- Deposits with original maturity for more than three months but less than twelve months	120.00	-
	120.00	0.00
	-	-
TOTAL CASH AND CASH EQUIVALENTS	255.65	32.35

As per our report of even date

For and on behalf of the Board

For B. K. KHARE & CO.

Chartered Accountants

Firm Registration No.105102W

D. C. MEHTA

Managing Director

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Partner

Membership No. 105731

Mumbai , 04 May, 2016

S P BANDOPADHYAY

Chief Financial Officer

ARVIND BAJPAI

Company Secretary

Vadodara , 04 May, 2016

Notes to Financial Statements for the Year ended 31st March, 2016

Company overview

Deepak Phenolics Limited (Formerly known as Deepak Clean Tech Limited) is a 100% Subsidiary of Deepak Nitrite Limited (along with nominees). It is formed for manufacturing of phenol & acetone as their main products. Deepak Phenolics Limited is in the process of setting up a manufacturing facility at GIDC Dahej.

1. SIGNIFICANT ACCOUNTING POLICIES

Accounting Convention

The accompanying financial statements have been prepared under the historical cost convention on accrual basis, in accordance with Generally Accepted Accounting Principles in India. The Company has prepared these Financial Statements to comply in all material respects with the Accounting Standards notified under section 133 of Companies Act 2013 Read with rule 7 with Companies Rules, 2014. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

a) Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates. Difference between the actual results and estimates are recognized in the year in which the results are known/materialised.

b) Presentation and Disclosure of Financial Statements

Assets and Liabilities are classified as Current or Non-Current as per the provisions of the Schedule III notified under the Companies Act, 2013, and Company's normal operating cycle. Based on the nature of business and its activities, the Company has ascertained its operating cycle as twelve months for the purpose of Current & Non-Current classification of Assets & Liabilities.

c) Fixed Assets

(i) Tangible Fixed Assets and Depreciation

Fixed Assets are stated at their original cost of acquisition, less accumulated depreciation and impairment losses. Cost includes all incidental expenses related to acquisition and installation expenses.

Depreciation is provided, pro rata for the period of use, by the Straight Line Method (SLM) at the life prescribed in Schedule II of the Companies Act, 2013 .

(ii) Intangible Fixed Assets

An Intangible Asset is recognized, where it is probable that the future economic benefits attributable to the Asset will flow to the enterprise and where its cost can be reliably measured. Intangible Assets are stated at their original cost of acquisition, less accumulated depreciation and impairment losses. Cost includes all incidental expenses related to acquisition and installation and other pre-operative expenses.

d) Inventories

(i) Raw Materials, Packing Materials and Stores & Spares are valued at cost determined on monthly-moving weighted average basis and are net of Cenvat and VAT.

(ii) Finished Goods and Stock-in-process are valued at cost of purchase of raw materials including the cost incurred in the normal course of business in bringing the inventories up to the present condition or at the net realizable value, whichever is lower.

e) Revenue recognition

- (i) Revenue from sales is recognized when the significant risks and rewards associated with ownership of goods are transferred to the buyers and no significant uncertainty exists as to the amount of consideration derived from the sales. Sales is recorded net of trade discounts, rebates, sales taxes, VAT and excise duties (recovery of which realisation is shown separately).
- (ii) Revenue from rendering of services relating to conversion/processing activity is recognized when the converted/processed goods are ready for delivery.
- (iii) Revenue in respect of dividend received, export incentive, overdue interest, insurance claim, etc. is recognized to the extent that the Company is reasonably certain of its ultimate realization.

f) Employee Retirement Benefits

(i) Defined Contribution Plans

Company's contributions paid/payable during the year to Provident Fund, are recognized in the Statement of Profit and Loss.

(ii) Defined Benefit Plan

Company's liabilities towards gratuity and leave encashment are determined on actuarial basis using the projected unit credit method, which consider each period of service as giving rise to an additional unit of benefit and measure each unit separately to build up the final obligation. Past services are recognized on straight-line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognized immediately in the Statement of Profit and Loss Account as income or expense. Obligation is measured at the present value of estimated future cash flow using a discount rate that is determined by reference to market yields at the Balance Sheet date on government bonds, where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

g) Investments

Investments that are readily realizable and intended to be held for not more than twelve months are classified as current investments. All other investments are classified as long term. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary in nature, in the carrying amount of such long term investments.

h) Foreign currency transactions

- (i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates. Exchange difference arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.
- (ii) The Company uses foreign exchange forward contracts and options to hedge its actual underlying exposures to reduce exchange risk and/or cost to the Company.
- (iii) The difference between the forward rate and the exchange rate at the inception of the forward contract for underlying transactions is recognized as per the principles set out in (h) (i) above.
- (iv) In respect of hedge contracts, for firm commitment or forecasted transactions, the attributable loss is accrued on periodic settlement and/or completion of contract and is recognized as per the principles set out in (h) (i) above.

(i) Preliminary Expenses

Includes Preliminary Expenses written off equally in five years from current year

j) Income Tax

Tax expense comprises of both current and deferred tax. Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using tax rates enacted or substantively enacted as at the Balance Sheet date. Deferred Tax assets are not recognized unless, in the management judgment, there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax is reviewed at each balance sheet date.

k) Earning per Share

The company reports basic and diluted Earning per Share (EPS) in accordance with the A S 20 on 'Earning per Share'. Basic earning per equity share is computed by dividing net income by the weighted average number of equity shares outstanding for the period. Diluted earning per equity share are computed by dividing net profit or loss for the period by the weighted average number of equity shares adjusted for the effects of all dilutive potential equity shares.

l) Segment Reporting - Basis of Information

There are no reportable segments as defined by Accounting Standard 17 on "Segment Reporting".

m) Borrowing costs

Borrowing costs directly attributable to the acquisition/construction of qualifying assets as also the borrowing costs of funds borrowed generally and used for the purpose of acquisition/construction of such assets is capitalized up to the date the assets are ready for use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

n) Cash Flow statement

The Cash Flow Statement is prepared by the indirect method set out in A S 3 'Cash Flow Statements', whereby the profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The Cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

o) Provisions and Contingent Liabilities

Provisions are recognized in the accounts in respect of present probable obligations, the amount for which can be reliably estimated.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

2. SHARE CAPITAL

	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Authorised Shares:		
100,000,000 (P.Y. 50,000,000) Equity Shares of Rs.10/- each	10,000.00	5,000.00
	10,000.00	5,000.00
Issued, subscribed and fully paid-up shares:		
61,844,110(P.Y. 14,050,000) Equity Shares of Rs.10/- each fully paid-up	6,184.41	1,405.00
Total Issued, subscribed and fully paid-up share capital	6,184.41	1,405.00

(a) Reconciliation of the shares outstanding and the amount of share capital at the beginning and at the end of the reporting period:

Company has issued Equity Shares during the year.

Equity Shares

	As at March 31, 2016		As at March 31, 2015	
	No.	Rs. in Lacs	No.	Rs. in Lacs
At the beginning of the period	14,050,000	1,405.00	50,000	5.00
Issued during the period (Refer note below)	47,794,110	4,779.41	14,000,000	1,400.00
Outstanding at the end of the period	61,844,110	6,184.41	14,050,000	1,405.00

Note: During the year company has issued 47,794,110(P.Y. 14,000,000) Equity shares of Rs.10/- each at par.

(b) Shares held by holding company:

	As at March 31, 2016		As at March 31, 2015	
	No.	Rs. in Lacs	No.	Rs. in Lacs
<i>Equity shares of Rs. 10 each fully paid</i>				
Shares held by Deepak Nitrite Ltd, the holding company	61,844,110	6,184.41	14,050,000	1,405.00

(c) Details of shareholders holding more than 5% Equity Shares in the Company:

Name of the Shareholder	As at March 31, 2016		As at March 31, 2015	
	No.	% holding	No.	% holding
<i>Equity shares of Rs. 10 each fully paid</i>				
Deepak Nitrite Limited	61,844,110	100.00	14,050,000	100.00

3. RESERVES & SURPLUS

	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Surplus in Profit & Loss		
Balance as per last Financial Statements	(46.28)	(1.17)
Profit/(Loss) for the year	(248.87)	(45.11)
Total	(295.15)	(46.28)

4. SHARE APPLICATION MONEY PENDING ALLOTMENT

	As at March 31, 2016		As at March 31, 2015	
	No of Shares	Amount Rs. in Lacs	No of Shares	Amount Rs. in Lacs
Equity shares of face value Rs. 10 each proposed to be issued (Refer note below)	-	-	5,100,000	510.00
TOTAL	-	-	5,100,000	510.00

Note: Share Application money pending allotment represents application received from holding Company Deepak Nitrite Limited Nil (P.Y. Rs. 510.00 lacs) allotted on 16th April 2015.

5. SHORT TERM BORROWINGS

	Non-Current		Current	
	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Working Capital Borrowing from Banks -Secured (refer note below(a))	-	-	1,361.18	-
Short Term Loan from Banks (refer note below(b))	-	-	2,000.00	-
Total	-	-	3,361.18	-

a) Working Capital borrowings from banks represent Buyers' Credit against Letter of Undertaking carry rate of interest ranging from LIBOR plus spread ranging from 0.99% p.a. to 1.12% p.a.. These borrowings are repayable on demand.

b) Term Loans:- The Loans from Banks includes term loan obtained from Axis Bank Limited during the year amounting to Rs. 2000 Lacs (Nil), carry interest rate of @ 10.75 % p.a., which is unsecured.

6 a. TRADE PAYABLES

	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Trade payables (refer note no. 31)	387.74	16.81
Total	387.74	16.81

6 b. OTHER CURRENT LIABILITIES

	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Payable to Related Parties (Refer note below)	24.35	545.72
Creditors for Projects (refer note no. 31)	17.86	-
Others	146.84	1.96
Total	189.05	547.68

Note : Amount payable to Related Party is on account of reimbursement of expenses payable to Deepak Nitrite Limited.

7. SHORT TERM AND LONG TERM PROVISIONS

	Long-Term		Short-Term	
	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Provision for Employee Benefits				
Provision for Gratuity	4.89	-	0.02	-
Provision for Leave Benefits	7.94	-	2.86	-
Total	12.83	-	2.88	-

9. Capital Work In Progress

Sr. No.	Particular	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
1	Capital Work in Progress (Others)	-	0.20
2	Capital Work in Progress (Projects)	2,161.74	598.17
	Capital Work in Progress (Net)	2,161.74	598.37

Details of Capital Work in Progress - Projects

Sr. No.	Description	Incurred till March 31, 2015	Incurred during the year	Capitalized / Transferred during the year	(Rs. In Lacs) Total as on March 31, 2016
Capital Work in Progress :					
1	Land & Site Development	1.33	16.58	-	17.91
2	Other Engineering Fees	63.80	742.72	-	806.52
Movements in Working Capital :					
1	Employees emoluments / Deputation Expenses	165.35	452.80	-	618.15
2	Other Expenses	367.49	346.61	-	714.10
3	Finance charges	0.20	4.86	-	5.06
	Total	598.17	1,563.57	-	2,161.74

10. CURRENT INVESTMENTS

	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Short Term Investments at Cost		
Investments in Mutual Fund		
Axis Liquid Fund -Growth	75.00	-
Baroda Pioneer Liquid Fund -Growth	200.00	-
Religare Invesco Liquid Fund -Growth	800.00	-
Birla Sun Life Cash Plus -Growth	552.34	-
Total	1,627.34	-

Note: Aggregate Market Price of Investment in Mutual Fund Rs. 1635.88 Lac (P.Y. Nil)

11. Loans & Advances (Long Term & Short Term)

	Non-Current	Non-Current	Current	Current
	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Capital Advances				
Unsecured, considered good	3,346.12	1,565.54	-	-
	3,346.12	1,565.54	-	-
Security Deposit				
Unsecured, considered good	42.09	-	-	-
	42.09	-	-	-
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	3.20	1.11
	-	-	3.20	1.11
Other Loans and Advances				
Balances with Statutory / Government Authorities	613.60	233.74	24.22	-
TDS Receivable	0.92	-	-	-
	614.52	233.74	24.22	-
TOTAL	4,002.73	1,799.28	27.42	1.11

12. OTHER NON-CURRENT AND CURRENT ASSETS

	Non-Current	Non-Current	Current	Current
	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Unsecured, considered good unless stated otherwise				
Interest Accrued but not due on Fixed Deposit	-	-	3.13	-
Unamortised Expenses	1.04	1.57	0.53	0.53
TOTAL	1.04	1.57	3.66	0.53

13. INVENTORIES (valued at lower of cost and net realisable value)

	Current	Current
	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Raw Materials and Components (including Packing Material)	1.15	-
Traded Goods	15.18	-
Stores	0.37	-
TOTAL	16.70	-

14. TRADE RECEIVABLES

	Current	Current
	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Debts outstanding for a period exceeding six months		
Unsecured, considered good	-	-
Doubtful Debts	1.71	-
	1.71	-
Provision for Doubtful Debts	(1.71)	-
	-	-
Other receivables		
Unsecured, considered good	1,684.76	-
	1,684.76	-
TOTAL	1,684.76	-

15. CASH AND CASH EQUIVALENTS

	Current	Current
	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Cash and Cash Equivalents		
Balances with Banks:		
- In Current Accounts	135.65	32.35
Cash in hand	-	-
	135.65	32.35
Other Bank Balances		
- Deposits with original maturity for more than three months but less than twelve months	120.00	-
	120.00	-
TOTAL	255.65	32.35

16. REVENUE FROM OPERATIONS

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Revenue from Operations		
Traded Goods (refer note below)	3,709.78	-
Other Operating Revenue	10.96	-
Revenue from Operations (Gross)	3,720.74	-
Less: Excise duty	14.58	-
Revenue from Operations (Net)	3,706.16	-

Note:

Detail of Products Sold

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Traded Goods		
Phenol	3,701.44	-
Polycarbonate	8.34	-
	3,709.78	-

17. OTHER INCOME

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Interest Income	3.54	-
Dividend Income on Current Investments	1.35	1.42
TOTAL	4.89	1.42

18. DETAILS OF PURCHASE OF TRADED GOODS

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Purchase of Traded Goods for Resale (refer note below)	3,587.45	-
TOTAL	3,587.45	-

Note:

Detail of Traded Goods Purchase

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Traded Goods		
Phenol	3,580.56	-
Polycarbonate	6.89	-
	3,587.45	-

19. (INCREASE)/ DECREASE IN INVENTORIES

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Inventories at the beginning of the year	-	-
Traded Goods	-	-
Less:		
Inventories at the end of the year	-	-
Traded Goods	15.18	-
	15.18	-
	(15.18)	-

20. EMPLOYEE BENEFITS EXPENSE

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Salaries, Wages and Bonus	165.20	-
Contribution to Provident and Other Funds	2.19	-
Gratuity Expenses	2.41	-
Staff Welfare expenses	3.61	-
TOTAL	173.41	-

21. DEPRECIATION EXPENSES

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Depreciation of Tangible Assets	9.23	-
TOTAL	9.23	-

22. FINANCE COSTS

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Interest	6.11	-
Bank charges	38.39	-
Exchange difference to the extent considered as an adjustment to Borrowing Costs	13.76	-
TOTAL	58.26	-

23. OTHER EXPENSES

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Conversion Charges	5.00	-
Rates & Taxes	47.27	42.81
Amortisation of Misc. Expenses	0.53	0.53
Insurance	2.43	-
Freight Charges	7.72	-
Sales Commission	4.23	-
Rent	7.72	-
Travelling and Conveyance	11.36	-
Vehicle Expenses	2.88	-
Foreign Exchange Loss	14.16	-
Provision for Doubtful Debts	1.71	-
General Expenses	38.08	2.94
Directors' Sitting Fees	1.01	-
Payment to Auditor	2.65	0.25
TOTAL	146.75	46.53

Note:

Payment to Auditor

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
i) As Auditor:		
Audit fees	2.00	0.25
Tax Audit fees	0.50	-
Quarterly Limited Review	-	-
ii) Reimbursement of Expenses	0.15	-
TOTAL	2.65	0.25

24. Employee Retirement Benefits

A) Gratuity

Description of the Plan:

i) Present Value of Defined Benefit Obligation:

	Current Year Rs.in Lac	Previous Year Rs.in Lacs
Balance at the beginning of the year	-	-
Current Service Cost	4.91	-
Interest Cost	-	-
Actuarial (gain)/losses	-	-
Benefits Paid	-	-
Past Service Costs	-	-
Curtailments	-	-
Settlements	-	-
Balance at the end of the year	4.91	-

ii) Assets and Liabilities Recognised in the Balance Sheet:

	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Present Value of Defined Benefit Obligation	4.91	-
Less: Fair Value of Plan Assets:	-	-
Less: Unrecognised Past Service costs	-	-
Amounts recognised as liability	4.91	-
Recognised under:		
Long Term provision (Refer Note 7)	4.89	-
Short Term provision (Refer Note 7)	0.02	-
Total	4.91	-

iii) Expenses recognised in the statement of Profit and Loss:

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Current Service Cost	4.91	-
Interest Cost	-	-
Expected return on Plan Assets	-	-
Actuarial (gain)/losses	-	-
Past Service Costs	-	-
Curtailments	-	-
Settlements	-	-
Total Expenses	4.91	-

v) Actuarial Assumptions

	Current Year	Previous Year
Discount Rate	8.07%	-
Expected Return on Plan Assets	NA	-
Salary Growth Rate	6.50%	-
Attrition rate	2.00%	-

B) Leave Encashment

1) The Leave Encashment Benefit Scheme is a Defined Benefit Plan and is wholly unfunded. Hence, there are no plan assets attributable to the obligation.

2) Principal Actuarial Assumptions:

	Current Year	Previous Year
Discount Rate	8.07%	-

3) The accumulated balance of Leave Encashment (unfunded) provided in the books as at March 31, 2016, is Rs. 10.80 Lacs (P.Y. Nil), which is determined on actuarial basis using Projected Unit Credit Method.

C) Defined Contribution Plan

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Employer's Contribution to Provident Fund	10.60	-

Expected Contribution for the next year	Rs. in Lacs
Employer's Contribution to Provident Fund	22.00

25 Disclosure under AS 20 "Earning Per Share"

	Current Year	Previous Year
Basic and Diluted Earning per Share		
Number of Shares as on April 1, 2015 (Nos. in Lacs).	140.50	0.50
Number of Shares as on Mar 31, 2016 (Nos. in Lacs).	618.44	140.50
Weighted Average Number of Shares considered for Basic Earning Per Share (Nos. in Lacs).	363.87	36.17
Weighted Average Number of Shares considered for Diluted Earning Per Share (Nos. in Lacs).	363.87	36.69
Net Loss after Tax available for Equity Shareholders (Rs. in Lacs)	(248.87)	(45.11)
Basic Earning (in Rupees) Per Share of Rs.10/- each.	(0.68)	(1.25)
Diluted Earning (in Rupees) Per Share of Rs.10/- each.	(0.68)	(1.23)

26 Disclosure under AS 18 "Related Party Disclosures"
(i) Holding Company:

Deepak Nitrite Limited

(ii) Transaction with Related Parties

(Rs. in Lacs)

Sr. No	Nature of Transaction	31st March, 2016			31st March, 2015		
		Holding Companies	Key Management Personnel	TOTAL	Holding Companies	Key Management Personnel	TOTAL
1	Receiving of services / Reimbursement of Expenses Deepak Nitrite Limited	381.59	-	381.59	545.72	-	545.72
2	Application money received, pending allotment & Equity Contribution Deepak Nitrite Limited	4,269.41	-	4269.41	1,915.00	-	1,915.00
4	Net Accounts Receivable / (Payable) Deepak Nitrite Limited	(24.35)	-	(24.35)	(545.72)	-	(545.72)

27 Capital Commitments (Net of Advances)

	As at March 31, 2016 Rs. in Lacs	As at March 31, 2015 Rs. in Lacs
Capital Commitments	3,591.69	4,816.49

28 Hedging Instruments -The unhedged exposure of foreign currency transactions is as follows:

	Currency	Current Year	Previous Year
Payables			
Working Capital Loans	USD Lacs	20.52	-
Trade Payables	USD Lacs	5.12	-
Receivables			
Export Trade Receivables	USD Lacs	0.02	-

29 CIF Value of Imports

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
i) Finished goods for trading activity	3,114.52	-
Total	3,114.52	-

30 Expenditure in Foreign Currency (on accrual basis and subject to deduction of tax where applicable):

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
i) Technical Know How Fees & Others	761.64	431.41
ii) Foreign Travels	12.82	-
	774.46	431.41

31 Earning in Foreign Exchange

	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Misc. Receipts (indenting Income)	7.04	-

32 There are No Amount due to MEME under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

33 Previous year's figures are shown in bracket and have been re-classified / regrouped wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date For B. K. KHARE & CO. Chartered Accountants Firm Registration No.105102W		For and on behalf of the Board
	D. C. MEHTA <i>Managing Director</i>	SANJAY UPADHYAY <i>Director</i>
Himanshu Chapsey Partner Membership No. 105731	SHRIPAD GUMASTE <i>Director</i>	SANDESH ANAND <i>Director</i>
	S P BANDOPADHYAY <i>Chief Financial Officer</i>	ARVIND BAJPAI <i>Company Secretary</i>
Mumbai , 04 May, 2016		Vadodara , 04 May, 2016