Corp. Office: Sai Hira, Survey No. 93,
Mundhwa, Pune - 411 036, India.
Tel: +91 (20) 6645 8000

DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED

16th August, 2016

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Listing Department
National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

Subject: Annual Report 2015-16

Dear Sir/Madam,

This is in continuation to our communication dated 1st August, 2016.

Please find enclosed Annual Report for the Financial Year 2015-16 including Audited Standalone and Consolidated Financials for the Financial Year 2015-16 which has been approved by the Shareholders of the Company in its Annual General Meeting held on 12th August, 2016 at 11.30 a.m.

We request you to kindly take the same on record and acknowledge the receipt of the same.

Thanking you,

Yours faithfully,

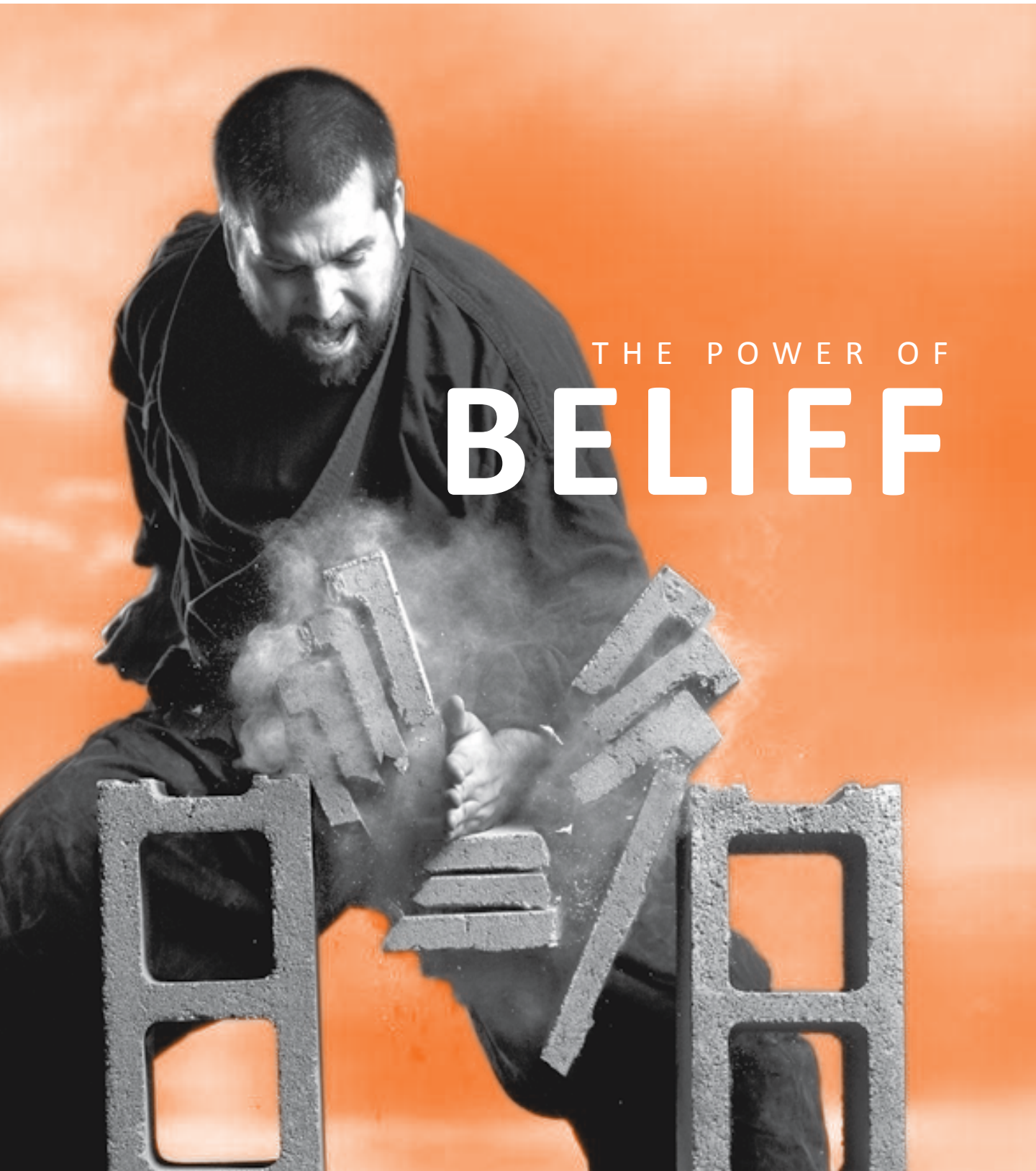
For DEEPAK FERTILISERS AND
PETROCHEMICALS CORPORATION LIMITED

K. Subharaman
Executive Vice President (Legal) &
Company Secretary

Encl.: As Above

DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED

ANNUAL REPORT | **2015 - 2016**



THE POWER OF BELIEF

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Corporate Information

C. K. Mehta
Chairman Emeritus

Board of Directors
S. C. Mehta
Chairman & Managing Director

Partha Bhattacharyya
R. A. Shah
D. Basu
N. C. Singhal
U. P. Jhaveri
S. R. Wadhwa
Dr. S. Rama Iyer
Smt. Parul S. Mehta
Anil Sachdev
Pranay Vakil

Company Secretary and Compliance Officer

Mandar Velankar
Assistant Company Secretary

Management Team
Guy Goves
President - Farm Produce

Pandurang Landge
President - Projects

Naresh Kumar Pinisetti
President - Human Resources

Paresh Trivedi
President - Chemicals

Shyam Narayan Sharma
President - TAN

Vipin Agarwal
President - Finance & CFO

Venkatram Vasantavada
President - Agribusiness

Vimal Sharma
President - Chairman's Office

Bankers
Bank of Baroda
IDBI Bank Limited
DBS Bank Limited
ICICI Bank Limited
State Bank of India
Yes Bank Limited
Kotak Mahindra Bank Limited

Solicitors
Crawford Bayley & Co.
Agarwal Law Associates
Desai & Diwanji

Auditors
B. K. Khare & Co.
Chartered Accountants

Registered Office
Opp. Golf Course, Shastri Nagar,
Yerawada, Pune - 411 006.
CIN: L24121MH1979PLC021360
E-mail: investorgrievance@dfpcl.com
Website: www.dfpcl.com
Phone: +91 - 20 - 2668 8117
Fax: +91 - 20 - 2668 3723

Corporate Office
Sai Hira, Survey No. 93, Mundhwa,
Pune - 411 036.
Phone : +91 - 20 - 6645 8000

Plants
Plot K-1, K-7 & K-8,
MIDC Industrial Area,
Taloja, A. V. 410 208,
District Raigad, Maharashtra
Phone: +91 - 22 - 6768 4000, 6149 5001
Fax: +91 - 22 - 2741 2413, 6149 5151

THE POWER OF BELIEF

Belief, the ubiquitous human trait, has often been the harbinger of change, evolution and innovation. Belief is the power that helps us sustain, motivates the mind and body to continuously perform and strengthens our journey towards our goals. Be it in navigating through rough weathers or sighting and seizing an emerging trend or opportunity, belief has always catalyzed spirited performances.

At DFPCL it is only through our resilience and strong belief of overcoming challenges of the past two years that has helped us spring back on to our feet – renewed and rejuvenated. To add to this, our undulating belief in the underlying potential of Indian domestic market is resonating well with the economy which is being credited as one of the few shining bright spots among global economies. With the effects of various government initiatives of recent past expected to become visible at the ground over the coming months, two significant factors of 2016 add to our quintessential optimism. These are the forecast of a good monsoon and the union budget's judicious allocations towards rural economy.

With all these factors adding to our affirmed belief in attaining higher goals, we are accelerating our capability built with renewed vigour. FY17 shall witness some capacity addition as well as our foray into new geographies, both enabling us to make the most of unfolding prospects.

With a firm belief that value-added regime lends a tenable differentiator in an ever-competitive market, our focus on value-added high-margin products is set to steadily intensify over coming quarters. Our aspiration to transform the organisation from a product-led to solution-driven and shift from customer to consumer will unfold value not only for us but for each of our stakeholders. Having experienced the 'power of belief' cushions us during testing times, we are banking more on it as we step into promising times ahead.

Awards & Accolades

The Golden Globe Tigers Award for Excellence & Leadership in CSR is a benchmark to recognise and honour companies for embodying the principles of Corporate Social Responsibility in their business philosophy and operations.

Mrs. Parul Mehta, Trustee - Ishanya Foundation, won the award under the individual category for Social Entrepreneurship, qualifying for having shown initiative & innovation, implemented best practices and reduced costs to reflect a successful operation.

The award ceremony was held on 11th April, 2016, in Malaysia to honour Organisations and Individuals with Best CSR Practices.

Received Maharashtra Safety Award for Longest Accident Free Period in Chemical and Fertiliser Industrial Group. The Award was given by National Safety Council – Maharashtra Chapter.

Received Maharashtra Safety Awards for achieving Lowest Accident Frequency Rate in Chemical and Fertiliser Industrial Group.

Received State Level Award for Excellence in Energy Conservation & Management in Fertiliser sector from the Government of Maharashtra.

Received Safety Award for Developing & Implementing Effective Management Systems & Procedures and achieving good performance in Occupational, Safety & Health.

Mr. Pranav Thakkar, Head - Corporate Communication, was recognised as one of 'The 50 Most Talented Corporate Communication Leaders' (global listings) by World CSR Congress - 2016.

Makarand Sawant, Senior GM – IT, was winner of SAP ACE Award 2015 Emerging CIO for best in technology innovation and business transformation. He also received the CIO100 Special Award, CIO 3.0 Gold Award and Innovative CIO Award.

CHAIRMAN & MANAGING DIRECTOR'S *MESSAGE*

What ever the mind of man can conceive and believe, it can achieve.

- Napolean Hill

Dear Shareholders,

To believe …

To have confidence in the truth, the existence or the reliability of something although without absolute proof….

The last financial year saw us draw upon our resilience, fighting back the unprecedented challenges that had hit us during the previous years.

Our belief about the directive of gas disconnection being unfair and discriminatory was strongly agreed upon by the judiciary system through four High Court judgments. We hope that the Government will take cognizance of the High Court orders and in the interest of the farmer community and the industry as a whole, resume supply of gas on original terms. Our deep rooted bonds with our customers and their beliefs in our value propositions have gradually crystallised into a bounce-back in the TAN demand at right prices despite the volatile energy pricing, coal mining restrictions and implementation of AN rules.

The year saw the highest-ever production and sale of Concentrated Nitric Acid, highest-ever chemical trading sales in volumes and revenue, an increase in the overall sales of TAN by 15% and highest-ever overall sales of fertilisers. During the year, we also achieved over 15 million accident free man hours and NSC award at National level for excellence in safety at our manufacturing sites, Prashansa Patra award at the Vidghyan Bhavan and most innovative retailer award of Indian Retail Congress for Ishanya Mall's ''Home Sukh''.

In the year that went by, we embarked on the 25th year of our fertiliser business, growing from:

- A single product in 1992 to a range of 7 bulk and 43 specialty products.
- A volume of 53,000 MT to 55,58,000 MT per year.
- A ₹ 36 Crore to over ₹ 1,600 Crore Turnover.

The greatest joy of all was of touching lives of over 4 million farmers!

Belief and perseverance has earned us the ''Most Trusted Brand'' award among the fertiliser companies across India.

In keeping with our vision to make the Indian farmers globally competitive, the coming year will see fruition to our large investments in NPK and Sulphur Bentonite projects. Both will take us further on our journey to provide holistic nutrient management to our farms in India covering not just the basic NPK needs for the soil/crop but also the much needed micro nutrients and crop focused nutrition solutions.

We also hope to take concrete steps to enhance the capacity of our TAN and Chemical businesses shortly.

Our deep introspections, have lead us to crystallise our actions in the coming decade on our firm beliefs in the need:

- For a deeper insight by refocusing our businesses and shifting from commodity offerings to holistic product plus solutions.
- To embark on the journey to deeply involve in serving the needs of our final consumers and not just stop at customers and channel partners alone.
- To unleash today's best–in-class technologies beyond IT support in every facet of consumer service.
- To focus on deeper and meaningful purpose of business beyond pure commerce and aligning this spirit from top to bottom in our HR initiatives.

> *A small body of determined spirit fired by an unquenchable faith in the mission can alter the course of history.*
>
> *-Mahatma Gandhi*

As the year unfolds, it is our deep rooted beliefs that would help us re-write our history!

Warm Regards,

S. C. Mehta

Chairman & Managing Director

Notice

NOTICE is hereby given that the Thirty-Sixth Annual General Meeting of DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED will be held on Friday, 12th August, 2016 at 11.30 a.m. at MDC Auditorium, Yashwantrao Chavan Academy of Development Administration (YASHADA) Campus, Rajbhavan Complex, Baner Road, Pune - 411007 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended 31st March, 2016 and the Reports of the Directors and Auditors thereon.

2. To confirm and approve the interim dividend paid on Equity Shares at the rate of 50% (₹ 5 per Equity Share of ₹ 10 each) as the final dividend, for the financial year 2015-16.

3. To appoint a Director in place of Smt. Parul S. Mehta (DIN: 00196410), who retires by rotation and being eligible, offers herself for re-appointment.

4. To ratify appointment of M/s. B. K. Khare & Co., (Firm Registration No. 105102W) as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of Thirty-Seventh Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

   "RESOLVED THAT, pursuant to the provisions of Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Board of Directors of the Company for payment of remuneration of ₹ 5,00,000 (Rupees Five Lacs only) plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending 31st March, 2017, to M/s. Y. R. Doshi & Company, Cost Accountants, for conducting Cost Audit of all applicable products, be and is hereby ratified and confirmed.

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

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

   "RESOLVED THAT, in supersession of the Special Resolution passed by the Members at the Annual General Meeting of the Company held on 31st July, 2014 and pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Rules made thereunder, approval of the Members be and is hereby accorded to authorise the Board of Directors of the Company (Board) which shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person(s), to borrow moneys in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of ₹ 2,000 Crore (Rupees Two Thousand Crore only) over and above the aggregate of the paid-up capital and free reserves (that is, reserves not set apart for any specific purpose) of the Company and that the Board be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such moneys to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit.

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

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

   "RESOLVED THAT, in supersession of the Special Resolution passed by the Members at the Annual General Meeting of the Company held on 31st July, 2014 and pursuant to the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Rules made thereunder, approval of the Members be and is hereby accorded to authorise the Board of Directors of the Company (Board) which shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person(s), to mortgage / charge / hypothecate / encumber any of its movable and / or immovable properties wherever situated both present and future or to lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s) and to create mortgage / charge / hypothecate / encumber, on such terms and conditions at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit on the whole or substantially the whole of the Company's any one or more of the undertakings or all of the undertakings of the Company in favour of any Bank(s) or Financial Institution(s) or Body(ies) Corporate or Person(s), whether the Members of the Company or not,

together with interest, cost, charges and expenses thereon for an amount not exceeding ₹ 2,000 Crore (Rupees Two Thousand Crore only) over and above the aggregate of the paid-up capital and free reserves (that is, reserves not set apart for any specific purpose) of the Company.

RESOLVED FURTHER THAT mortgage / charge / hypothecation / encumbrance to be created by the Company as aforesaid may rank prior / pari-passu/ subservient with / to the mortgage / charge / hypothecation / encumbrance already created or to be created by the Company as may be agreed to between the concerned parties.

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

Dated 26th May, 2016 By Order of the Board of Directors,

Registered Office:
Opp. Golf Course,
Shastri Nagar,
Yerawada, Pune - 411 006

MANDAR VELANKAR
Assistant Company Secretary

NOTES

(1) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, SHOULD BE COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

(2) The Register of Members and the Share Transfer Books of the Company shall remain closed from Saturday, 6th August, 2016 to Friday, 12th August, 2016 (both days inclusive).

(3) The Board of Directors had recommended an interim dividend of 50% i.e. ₹ 5 per share on the Equity shares (face value of ₹ 10 each) of the Company at its Board Meeting held on 11th March, 2016, and the same was paid on 28th March, 2016. The Board at its meeting held on 26th May, 2016, considered the aforesaid interim dividend paid as final dividend for the Financial Year 2015-16.

(4) Consequent upon the change in Registrar and Transfer Agent from M/s. Sharepro Services (India) Private Limited to M/s. Karvy Computershare Private Limited with effect from 1st July, 2016, members holding shares in physical form are requested to intimate immediately to M/s. Karvy Computershare Private Limited, UNIT: Deepak Fertilisers And Petrochemicals Corporation Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032; E-mail ID: einward.ris@karvy.com Phone: +91 40 6716 2222; Fax No: +91 40 2342 0814, Website: www.karvycomputershare.com, quoting the Registered Folio Number: (a) details of their Bank Account / change in Bank Account, if any, to enable the Company to print these details on the Dividend Warrants; and (b) change in their address, if any, with the Pin Code Number.

Members holding shares in electronic form shall address communication to their respective Depository Participants only.

(5) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company Secretary at least seven days prior to the meeting so that the required information can be made available at the meeting.

(6) All relevant documents referred to in the accompanying notice and explanatory statement requiring the approval of Members at the meeting and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 a.m. and 1.00 p.m. on all days except, Saturdays, Sundays and public holidays, from the date hereof upto the date of the Annual General Meeting.

(7) Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the hall.

(8) Members are requested to note that pursuant to the provisions of Section 124 and other applicable provisions of the Companies Act, 2013, (including any statutory modifications or re-enactments thereof) and Rules made thereunder the dividend remaining unclaimed / unpaid for a period of seven years from the date of transfer to the "Unpaid Dividend Account" shall be credited to the Investor Education and Protection Fund set up by the Central Government.

Members who have so far not claimed the dividend are requested to make claim with the Company immediately. Please visit Company's website: www.dfpcl.com for details.

(9) Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") is provided by Central Depository Services Limited (CDSL).

The voting period begins on Tuesday 9th August, 2016 (10.00 a.m.) and ends on Thursday 11th August, 2016, (05.00 p.m.). During this period, Members of the Company,

holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 5th August, 2016, may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting after 11th August, 2016 (05.00 p.m.).

Any person, who acquires shares of the Company and becomes member of the Company after the notice dispatch date and holds shares as on the cut - off date i.e. Friday, 5th August, 2016 and whose PAN is not updated nor received intimation of sequence number, may obtain the login ID and sequence number by sending a request to M/s. Karvy Computershare Private Limited.

The instructions for Members for voting electronically are as under:-

A. In case of Members receiving Notice of Annual General Meeting (AGM) through E-mail:

i. Log on to the E-voting website: www.evotingindia.com

ii. Click on "Shareholders" tab

iii. Now Enter your User ID

a) For CDSL: 16 digits beneficiary ID,

b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

iv. Next enter the Image Verification as displayed and Click on "Login".

v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vi. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
Permanent Account Number (PAN)	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. For example, if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Date of Birth (DOB)#	Enter the DOB as recorded in your demat account or in the Company's records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the Company's records for the said demat account or folio. # Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the Company / Depository Participant, please enter the client id / folio number in the Dividend Bank details field.

vii. After entering these details appropriately, click on "SUBMIT" tab.

viii. Members holding shares in physical form will then reach directly the Company Selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for E-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix. For Members holding shares in physical form, the details can be used only for E-voting on the resolutions contained in this Notice.

x. Click on the Electronic Voting Sequence Number (EVSN) of "DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED".

xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvi. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

xvii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xviii. (a) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.

(b) Institutional shareholders should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com

(c) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

(d) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts Institutional shareholders would be able to cast their vote.

(e) A scanned copy of the Board Resolution and Power of Attorney which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix. Shri. S. V. Deulkar, Partner SVD & Associates, Company Secretaries, (Membership No. FCS 1321 CP No. 965) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

xx. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote E-voting facility or through the ballot paper sent to them.

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

xxii. The Results declared alongwith the report of the Scrutinizer shall be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

xxiii. For members who wish to vote through Ballot Forms:

(a) The Ballot Form is provided for the benefit of shareholders, who do not have access to remote E-voting facility.

(b) Pursuant to Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, members who do not have access to remote E-voting facility, may exercise their right to vote on business to be transacted at the Annual General Meeting of the Company by submitting the Ballot Form enclosed to this Annual Report.

(c) Shareholders may fill in the Ballot Form enclosed with the Annual Report (no other form or photocopy of the form will be accepted) and send the same in a sealed envelope addressed to the Scrutinizer, viz. Shri. S.V. Deulkar, Partner, SVD & Associates, Company Secretaries, C/o Deepak Fertilisers And Petrochemicals Corporation Limited, Sai Hira, Survey No. 93, Mundhwa, Pune 411 036, so as to reach by 5.00 p.m. on Thursday, 11th August, 2016. The Ballot Form received thereafter will be strictly treated as not received.

(d) A shareholder can opt for only one mode of voting either through remote e-voting or by the Ballot or by Poll. If a shareholder casts votes by all modes, then voting done through remote e-voting shall prevail and the Ballot Form / Poll shall be treated as invalid.

(e) Shareholders who do not have access to E-voting and intend to cast their vote through the Ballot Form should follow instructions as mentioned in Ballot Form.

B. In case of Members receiving physical copy of Notice of AGM:

i. Please follow all steps from Sr. No. (i) to Sr. No. (xviii) above, to cast vote.

ii. In case you have any queries or issues regarding E-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

C. General Instruction:

Members, who have registered their E-mail addresses with the Company or their Depository Participant, are being sent the AGM Notice along with the Annual Report, Attendance Slip, Proxy & Ballot Form by E-mail and others are being sent by post.

(10) Members are requested to note that pursuant to Regulation 26 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, brief particulars including shareholding of the Director proposed to be appointed / re-appointed are given below and form part of the Notice.

Annexure to the Notice

Explanatory Statement as required by Section 102 of the Companies Act, 2013.

Item No. 5

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board of Directors (Board) shall appoint an Individual who is Cost Accountant in practice, or a firm of Cost Accountants in practice, as Cost Auditor on the recommendation of the Audit Committee, which shall also recommend remuneration for such auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board and ratified by the Members.

On recommendation of Audit Committee, the Board at their meeting held on 26th May, 2016 has considered and approved appointment of M/s. Y. R. Doshi & Company, Cost Accountants, for conducting Cost Audit of all applicable products at a remuneration of ₹ 5,00,000 (Rupees Five Lacs only) plus service tax as applicable and reimbursement of actual travel and out-of pocket expenses for the Financial Year ending 31st March, 2017.

The Board of Directors recommend the proposed resolution for your approval.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above mentioned resolution, except to the extent of their shareholding in the Company.

Item No. 6

The Members at their meeting held on 31st July, 2014, had delegated the powers to the Board of Directors of the Company to borrow for the purpose of the business of the Company an amount not exceeding ₹ 1,000 Crore (Rupees One Thousand Crore only), over and above the aggregate of the paid-up capital and free reserves of the Company (apart from temporary loans obtained / to be obtained from the Company's Bankers in the ordinary course of business).

It is felt that in view of the proposed expansion plans of the Company, the Company may need to borrow in excess of the aforesaid limit. It is therefore proposed to authorise the Board of Directors to borrow an amount not exceeding ₹ 2,000 Crore (Rupees Two Thousand Crore only) over and above the aggregate of the paid-up capital and free reserves of the Company (apart from temporary loans obtained / to be obtained from the Company's Bankers in the ordinary course of business).

In view of the above, your Directors recommend to the Members to pass a special resolution under the provisions of Section 180(1)(c) of the Companies Act, 2013 so as to enable the Board of Directors of the Company to borrow an amount within the aforesaid limit, as and when necessary.

None of the Directors or Key Managerial Personnel or their relative(s) is/are in any way concerned or interested, in passing of the above mentioned resolution, except to the extent of their shareholding in the Company.

Item No. 7

As the members may be aware, the borrowings of the Company are in general required to be secured by mortgages / charges / hypothecation or encumbrances on all or any of the movable or immovable properties of the Company in such form, manner and ranking as may be stipulated by the Lender(s) and accepted by the Board of Directors of the Company from time to time.

The mortgages and / or charges by the Company of its movable and immovable properties and/ or the whole or any part of the undertaking(s) of the Company in favour of the Lender(s) / Agent(s) / Trustee(s) with a power to take over the management of the business and concern of the Company in certain events of default by the Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Sections 180 (1)(a) of the Companies Act, 2013.

In view of the above, your Directors recommend to the members to pass a special resolution under the provisions of Section 180 (1)(a) of the Companies Act, 2013 so as to enable the Board of Directors of the Company to create a mortgage and/ or charge for securing the borrowing of the Company, as and when necessary.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above mentioned resolution, except to the extent of their shareholding in the Company.

Dated 26th May, 2016

By Order of the Board of Directors,

Registered Office:
Opp. Golf Course,
Shastri Nagar,
Yerawada, Pune - 411 006

MANDAR VELANKAR
Assistant Company Secretary

Details of Director seeking appointment / re-appointment at the Annual General Meeting

(Pursuant to Regulation 26 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Name of Director: Smt. Parul S. Mehta; **Age:** 51 Years; **Qualification:** B.Com; **Date of Appointment:** 20th October, 2005; **Expertise:** Experience in the areas of corporate public relations and social welfare activities; **Directorships as on 31st March, 2016**: Nova Synthetic Limited, Hightide Investments Private Limited; **Membership of the Committee**: She is a member of Corporate Social Responsibility Committee of the Board of Directors; **Shareholding in the Company**: 40,45,226 Equity Shares of ₹ 10 each.

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Reports can be sent by e-mail to its members. This will also ensure prompt receipt of communication and avoid loss in postal transit. These documents can also be downloaded by the shareholders from the Company's website www.dfpcl.com. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, are requested to send e-mail to einward.ris@karvy.com with subject as 'E-mail for Green Initiative' mentioning their Folio No. / Client ID. Members holding shares in electronic form may register / update their e-mail addresses with the Depository through their concerned Depository Participant(s)

Directors' Report

To the Members,

Your Directors have pleasure in presenting the Thirty Sixth Annual Report together with Audited Accounts of the Company for the Financial Year ended 31st March, 2016.

FINANCIAL RESULTS

The summarised financial results for the year are as under:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2015-16	**2014-15**	**2015-16**	**2014-15**
Total Revenue (including Other Operating Revenues)	**4,25,872.25**	3,71,176.63	**4,35,269.52**	3,81,244.87
Profit Before Exceptional and Extraordinary Items and Tax	**16,940.12**	10,857.20	**17,482.96**	8,924.87
Less: Exceptional and Extraordinary Items	**–**	34.85	**–**	(857.32)
Profit Before Tax (PBT)	**16,940.14**	10,822.35	**17,482.96**	9,782.19
Less: a) Current Tax (Net)	**4,920.00**	2,543.75	**6,134.76**	2,704.26
b) Deferred Tax	**(93.25)**	443.45	**(118.90)**	419.02
Profit for the year before Minority Interest	**12,113.39**	7,835.15	**11,467.12**	6,658.91
Minority Interest	**–**	–	**(64.90)**	(139.92)
Net Profit / (Loss) for the period	**12,113.39**	7,835.15	**11,532.02**	6,798.83
Transitional impact of change in useful life of assets	**–**	(359.17)	**–**	(359.35)
Add: Surplus brought forward	**1,06,902.61**	1,03,757.04	**99,512.28**	97,547.67
Amount available for Appropriations	**1,19,016.00**	1,11,233.02	**1,11,044.29**	1,03,987.15
Appropriations:				
a) Transferred to/(from) Debenture Redemption Reserve	**(3,104.13)**	229.20	**(3,104.13)**	229.20
b) Transferred to General Reserve	**–**	–	**–**	–
c) Dividend on Equity Shares (Net)	**4,410.25**	3,528.32	**4,410.25**	3,528.32
d) Tax on Dividend (Net)	**172.09**	572.89	**925.38**	717.35
Surplus carried to Balance Sheet	**1,17,537.79**	1,06,902.61	**1,08,812.79**	99,512.28

STATE OF AFFAIRS OF THE COMPANY

Your Company has achieved the top line of ₹ 4,258.72 Crore (including ₹ 1,938.44 Crore from trading operations) during the year under review, which is higher by 15% over previous year's level of ₹ 3,711.77 Crore (including ₹ 1,672.63 Crore from trading operations). Despite continuance of the unfair discriminatory gas cut, Profit Before Tax (PBT) for the year under review was ₹ 169.40 Crores as against ₹ 108.22 Crore in the previous year. Net Profit for the current year was recorded at ₹ 121.13 Crore as against ₹ 78.35 Crore in the previous year. A detailed analysis of the performance is available in the Management Discussion and Analysis (MDA), which forms part of this Report, and *inter-alia*, deals adequately with the operations and also current and future outlook of the Company.

SCHEME OF AMALGAMATION WITH THE WHOLLY OWNED SUBSIDIARY

With a view to maintain a simple corporate structure and to enable effective management and unified control of operations, the Board of Directors of the Company approved the "Scheme of Amalgamation" providing for amalgamation of SCM Soilfert Limited, a Wholly Owned Subsidiary of the Company, with the Company, at its meeting held on 5th November, 2015. The Appointed Date for the said Scheme is 1st April, 2015. The Scheme is subject to sanction of Hon'ble High Court of Judicature at Bombay and other requisite approvals and will be given effect upon receipt of said sanction / approvals. The Company has filed the application before the Hon'ble High Court of Judicature at Bombay upon receipt of necessary clearance from the Stock Exchanges and the Securities and Exchange Board of India (SEBI). The detailed Scheme is available on the website of the Company, www.dfpcl.com.

SCHEME OF ARRANGEMENT WITH SCM FERTICHEM LIMITED AND SMARTCHEM TECHNOLOGIES LIMITED (BOTH WHOLLY OWNED SUBSIDIARIES OF THE COMPANY)

In order to enable better realisation of potential of the businesses of the Company and its Wholly Owned Subsidiary Companies viz. SCM Fertichem Limited (SCM Fertichem) and Smartchem Technologies Limited (Smartchem) and yield beneficial results and enhanced value creation for the Companies, their respective shareholders, lenders and employees, on 29th March, 2016, the Board of Directors of the Company approved the Scheme of Arrangement amongst the Company, SCM Fertichem and Smartchem and their respective shareholders and creditors involving:

- The slump exchange of (a) the Technical Ammonium Nitrate ("**TAN**") undertaking of the Company together with its business and operations including its manufacturing and related facilities located at (i) Taloja & Pune, Maharashtra (ii) Jawaharlal Nehru Port, Maharashtra and (iii) Paradeep and its marketing & corporate office(s) ("**TAN Undertaking**"), and (b) the Fertiliser undertaking of the Company together with its business and operations including its manufacturing and related facilities located at (i) Taloja and Pune, Maharashtra (ii) Jawaharlal Nehru Port, Maharashtra and (iii) Panipat, Haryana and its marketing & corporate office(s) ("**Fertiliser Undertaking**") (and collectively, (a) and (b) are hereinafter referred to as the "**Transferred Undertakings**") of the Company to SCM Fertichem, on a going concern basis ("**Slump Exchange**"); and
- Thereafter, the subsequent demerger of the Transferred Undertakings and vesting of the same from SCM Fertichem in Smartchem, on a going concern basis, in accordance with Section 2(19AA) of the Income Tax Act, 1961 ("**Demerger**");

with effect from the Appointed Date, 1st January, 2015, in terms of the draft Scheme of Arrangement ("**Scheme of Arrangement**") under Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 and Companies Act, 2013. The Scheme is subject to sanction of Hon'ble High Court of Judicature at Bombay and other requisite approvals and will be given effect upon receipt of said sanction / approvals. The Company has filed the draft Scheme of Arrangement with the Stock Exchanges in terms of applicable Regulations for securing necessary approval before approaching the High Court. The detailed Scheme is available on the website of the Company, www.dfpcl.com

DIVIDEND

Considering the performance of the Company, the Board of Directors of the Company at its meeting held on 11th March, 2016 had declared an Interim Dividend @ 50% i.e. ₹ 5 per Equity Share of ₹ 10 each of the Company for the year ended 31st March, 2016. The said dividend, which is already paid to the shareholders, is recommended as final dividend for the financial year 2015-16.

CHANGES IN BOARD OF DIRECTORS

During the year under review, Shri. Partha Bhattacharyya resigned as an Executive Director with effect from 22nd January, 2016 due to health reasons. Considering the wealth of knowledge and experience, Shri. Partha Bhattacharyya was requested and he consented to continue on the Board of the Company as a Non- Executive Non Independent Director with effect from 22nd January, 2016.

Smt. Parul S. Mehta, Non-Executive Director of the Company, who has been spear-heading your Company's CSR initiatives, retires by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 152 of Companies Act, 2013 and being eligible, offers herself for re-appointment.

Six Board Meetings were held during the year. These meetings were held on 21st May, 2015, 5th August, 2015, 5th November, 2015, 21st January, 2016, 11th March, 2016 and 29th March, 2016.

Independent Directors have given declaration that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

CHANGES IN KEY MANAGERIAL PERSONNEL (KMP)

Shri Somnath Patil resigned as 'Chief Financial Officer' of the Company with effect from 22nd January, 2016 and Shri Vipin Agarwal has been appointed as 'Chief Financial Officer' with effect from 22nd January, 2016.

Shri Tushar Dey, Executive Vice President & Company Secretary, a Key Managerial Personnel (KMP), resigned from the services of the Company with effect from 16th September, 2015. Shri Mandar Velankar, Assistant Company Secretary was appointed as 'Company Secretary' and KMP in terms of provisions of the Companies Act, 2013, without any change in designation, with effect from 14th March, 2016.

SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / STATUTORY AUTHORITIES

I. Pursuant to the Order by Ministry of Petroleum & Natural Gas (MOPNG), the supply of domestic gas to the Company's Plant situated at Plot No. K-1, Taloja MIDC, Dist. Raigad, Maharashtra had been stopped by Gas Authority of India Ltd. (GAIL) and Reliance Industries Ltd. (RIL) on 15th May, 2014. The Company challenged this decision by filing the Writ Petition before the Hon'ble High Court of Delhi.

The Single Judge of Hon'ble High Court of Delhi vide his Order dated 7th July, 2015 directed the Government of India to resume the supply of gas to the Company. However, the supply of natural gas was not restored and therefore an appeal was filed before the Division Bench of the High Court of Delhi.

The Division Bench of Hon'ble High Court of Delhi vide its Order dated 19th October, 2015, re-affirmed the direction of the Learned Single Judge in his Order dated 7th July, 2015 to resume supply of natural gas to the Company. The Government of India filed a review petition before the Hon'ble High Court of Delhi, seeking review of the Order dated 19th October, 2015. The Division Bench of the Hon'ble High Court

of Delhi, vide its Order dated 2nd February, 2016, rejected the said review petition of the Government.

Accordingly, the Company was offered to resume gas supply from GAIL at revised commercial terms, which were not in conformity with the Order of the High Court and hence the Company has filed the petition seeking justice.

II. The Department of Fertilisers (DoF), Ministry of Chemicals and Fertilisers has withheld a subsidy of ₹795 Crore (net of ₹35.16 Crore released against the Bank Guarantee) due to the Company in accordance with applicable Nutrient Based Subsidy Scheme of the Government of India (GOI). The Company has filed a writ petition before the Hon'ble Bombay High Court challenging the withholding as being arbitrary and discriminatory. According to the submission of DoF before the Hon'ble Bombay High Court, formal framework of alleged undue gain is yet to be notified. The petition is pending before the Bombay High Court.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section (5) of Section 134 of the Companies Act, 2013, your Directors confirm that:

i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii) the accounting policies had been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year on 31st March, 2016 and of the profit and loss of the Company for that period;

iii) proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the annual accounts had been prepared on a going concern basis;

v) internal financial controls, to be followed by the Company are duly laid down and these controls are adequate and were operating effectively; and

vi) systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

STATUTORY AUDITORS AND THEIR REPORT

The Shareholders of the Company in their Thirty Fourth Annual General Meeting held on 31st July, 2014 had accorded their approval pursuant to the provisions of Sections 139, 141 and other applicable provisions of Companies Act, 2013 and Rules made thereunder to appoint M/s. B. K. Khare & Co., Chartered Accountants, as the Auditors of the Company for the period of three years commencing from the conclusion of Thirty Fourth Annual General Meeting until the conclusion of Thirty Seventh Annual General Meeting.

The Board of Directors of the Company has, pursuant to the provisions of Section 139, recommended ratification of appointment of M/s. B. K. Khare & Co., Chartered Accountants, for the approval of the Shareholders from the conclusion of Thirty Sixth Annual General Meeting till the conclusion of Thirty Seventh Annual General Meeting.

The Auditors' Report to the Shareholders for the year under review does not contain any qualification, reservation or adverse remark or disclaimer.

SECRETARIAL AUDITORS

The Secretarial Auditors, M/s. SVD & Associates, Company Secretaries, have issued Secretarial Audit Report for the Financial Year 2015-16 pursuant to Section 204 of the Companies Act, 2013, which is annexed to Directors' Report. (Refer Annexure-1)

The Secretarial Audit Report for the year under review does not contain any qualification, reservation or adverse remark or disclaimer.

COST AUDITORS

Your Directors have appointed M/s. Y. R. Doshi & Company, Cost Accountants, as the Cost Auditors for the Financial Year 2016-17. M/s. Y. R. Doshi & Company, Cost Accountants will submit the cost audit report alongwith annexure to the Central Government (Ministry of Corporate Affairs) in the prescribed form within specified time and at the same time forward a copy of such report to your Company.

The Cost Audit Report for the Financial Year ended 31st March, 2015 was duly filed with the Central Government (Ministry of Corporate Affairs) on 30th September, 2015.

Pursuant to the provisions of Section 148 of Companies Act, 2013, Board of Directors of the Company has appointed M/s. Y. R. Doshi & Company, Cost Accountants, for conducting Cost Audit of the Company for the Financial Year ending 31st March, 2017.

PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES

Details of investments made and loans advanced by the Company have been given in notes to the Financial Statement.

The Company has not given any guarantee pursuant to the provisions of Section 186 of Companies Act, 2013.

RELATED PARTY TRANSACTIONS

The Company has entered into contract / arrangements with the related parties in the ordinary course of business and on arm's length basis and hence none of the transactions with related parties fall under the scope of Section 188(1) of the Act.

CORPORATE GOVERNANCE

Pursuant to provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate section titled 'Corporate Governance' is attached to this Annual Report.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the year under review, Platinum Blasting Services Pty Ltd. (PBS), subsidiary of Smartchem Technologies Limited, has acquired ownership interest in Australian Mining Explosives Pty. Ltd. (AME) for a consideration of AUS $ 3.7 Million. Due to the aforesaid acquisition by PBS, AME has become subsidiary of the Company pursuant to the provisions of the Companies Act, 2013.

Report on the performance and financial position of subsidiaries, associates and joint venture companies in specified format is annexed to this Report. (Refer Annexure-2).

NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company has constituted Nomination and Remuneration Committee (NRC) and also has approved the Nomination and Remuneration Policy which *inter alia* contains appointment criteria, qualifications, positive attributes and independence of Directors, removal, retirement and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel of the Company.

Nomination and Remuneration Policy is annexed to this Report. (Refer Annexure-3) and is also available on the website of the Company www.dfpcl.com

RISK MANAGEMENT COMMITTEE

Information on the development and implementation of a Risk Management Policy for the Company including identification therein of elements of risk which in the opinion of the Board may impact the working of the Company is given in the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri Pranay Vakil, Smt. Parul S. Mehta and Shri S. R. Wadhwa constitute the Corporate Social Responsibility (CSR) Committee. Please refer the Corporate Governance Report for further details.

The details of the initiatives taken by the Company on CSR during the year as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Report. (Refer Annexure-4)

ANNUAL RETURN

The extract of Annual Return is annexed to this Report. (Refer Annexure-5).

PERFORMANCE EVALUATION OF CHAIRMAN, DIRECTORS, BOARD AND COMMITTEES

Information on the manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual directors is given in the Corporate Governance Report.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company's internal financial control systems are commensurate with the nature, size, and complexity of the businesses and operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and the follow up actions are reported to the Audit Committee.

MATERIAL CHANGES AND COMMITMENTS

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

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Pursuant to the provisions of Section 136(1) of the Act and as advised, the statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be available for inspection at the Registered Office of the Company during working hours. Members interested in obtaining a copy of the same may write to the Company Secretary and the same will be furnished on request. Hence, the Annual Report and the Accounts are being sent to all the Members of the Company excluding the aforesaid information.

FIXED DEPOSITS

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on date of the balance sheet.

DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14, the internal committee constituted under the said act has confirmed that no complaint/case has been filed/ pending with the Company during the year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required by the Companies (Accounts) Rules, 2014 the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo are annexed to this Report. (Refer Annexure-6).

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation to the Company's bankers, customers, vendors, investors and all other stakeholders for their continued support during the year. Your Directors are also pleased to record their appreciation for the dedication and contribution made by employees at all levels who through their competence and hard work have enabled your Company achieve good performance during these challenging times and look forward to their support in the future as well.

For and on behalf of the Board of Directors,

Mumbai
Dated 26th May, 2016

S. C. MEHTA
Chairman & Managing Director

ANNEXURE-1

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2016

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

To,
The Members,
Deepak Fertilisers And Petrochemicals Corporation Ltd.
Opp. Golf Course,
Shastri Nagar, Yerawada,
Pune - 411 006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Deepak Fertilisers And Petrochemicals Corporation Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2016** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder (**in so far as they are made applicable**);

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

  a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015);

  c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**not applicable to the Company during the Audit Period**);

  d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**not applicable to the Company during the Audit Period**);

  e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

  f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**not applicable to the Company during the Audit Period**); and

  h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**not applicable to the Company during the Audit Period**);

(vi) The other laws, as informed and certified by Management of the Company which are specifically applicable to the Company based on their sector / industry are:

  a) Petroleum Act, 1944 and Rules, 2002;

  b) Foreign Trade Development & Regulation Act, 1992;

  c) The Competition Act, 2002;

d) Explosive Substance Act, 1908;

e) Inflammable Substance Act, 1952;

f) The Manufacturing, Storage and Import of Hazardous Chemicals Rules, 1989;

g) Hazardous Waste (Management, Handling and Transboundry Movement) Rules, 2008;

h) Ammonium Nitrate Rules, 2012;

i) Fertiliser Control Order, 1985;

j) Petroleum and Minerals Pipelines (Acquisition of Right Users in Land) Act, 1962

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India effective from 1st July, 2015;

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s) till 30th November, 2015; and the provision of sub-regulation (4) of the Regulation 23 and Regulation 31A of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, applicable from 2nd September, 2015; and

(iii) The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 effective from 1st December, 2015.

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

We 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 about the schedule of the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions taken at the Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We 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.

We further report that during the audit period:

i) The Company has redeemed in single installment 1000, 9.70% Secured Redeemable Privately Placed Non-Convertible Debentures of ₹ 10 Lacs on 18th January, 2016;

ii) The Company has redeemed the third (last) installment of 500, 9.75% Secured Redeemable Privately Placed Non-Convertible Debentures of ₹ 10 Lacs each on 25th November, 2015;

iii) The Company has redeemed the third (last) installment of 500, 10.00% Secured Redeemable Privately Placed Non-Convertible Debentures of ₹ 10 Lacs each on 25th November, 2015;

iv) The Company has redeemed in single installment 500, 9.31% Secured Redeemable Privately Placed Non-Convertible Debentures of ₹ 10 Lacs each on 15th July, 2015;

v) The Company has passed a special resolution to invite subscription for Secured Redeemable Non-Convertible Bonds/ Debentures in one or more series/tranches, aggregating upto ₹ 1,000 crore on private placement basis in the Annual General Meeting held on 5th August, 2015. However no debentures were issued during the year.

vi) The Company has in its meeting of Board of Directors held on 5th November, 2015 approved a scheme for amalgamation of SCM Soilfert Limited with Deepak Fertilisers And Petrochemicals Corporation Limited and their respective shareholders subject to all relevant approvals. The appointed date of draft scheme of amalgamation was fixed as 1st April, 2015. The Company has filed the draft scheme of amalgamation with the stock exchange under Clause 24 (f) of the Listing Agreement for which the stock exchanges have communicated their consent for compliance requirement under SEBI Circular No. CIR/CFD/DIL/5/2013 dated 4th February, 2013 and SEBI circular no. CIR/CFD/DIL/8/2013 dated 21st May, 2013 vide their letter dated 4th March, 2016. The draft scheme of amalgamation is filed with the Hon'ble Bombay High Court on 22nd April, 2016.

vii) The Company has in its meeting of Board of Directors held on 29th March, 2016 approved a scheme of arrangement amongst Deepak Fertilisers And Petrochemicals Corporation Limited and SCM Fertichem Limited and Smartchem Technologies Limited and their respective shareholders and creditors subject to all relevant approvals. The appointed date of draft scheme of arrangement was fixed as 1st January, 2015. The Company has filed the draft scheme of arrangement with the stock exchange under Regulation 37 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

viii) By the Order of Ministry of Petroleum & Natural Gas (MOPNG), the supply of domestic gas to the Company's Plant situated at Plot No.1, Taloja MIDC, Dist. Raigad, Maharashtra had been stopped by Gas Authority of India Ltd. (GAIL) and Reliance Industries Ltd. (RIL) w.e.f. 6.00 a.m. on May 15, 2014. The Company challenged this decision by filing the Writ Petition W.P.(C) No. 2973 of 2014 before the Hon'ble High Court of Delhi. The Single Judge of Hon'ble High Court of Delhi vide his Order dated July 07, 2015 disposed of the Writ Petition No. 2973 of 2014 and directed the Government of India to resume the supply of gas to the Company. However, the supply of natural gas was not restored and therefore an appeal was filed before the Division Bench of the High Court of Delhi. The Division Bench of Honb'le High Court of Delhi vide its Order dated October 19, 2015, reaffirmed the direction of the Learned Single Judge in his Order dated July 07, 2015 to resume supply of natural gas to the Company. The Government of India filed a review petition before the Hon'ble High Court of Delhi, seeking review of the Order dated October 19, 2015. The Division Bench of the Hon'ble High Court of Delhi, vide its Order dated February 02, 2016, which has been received on February 09, 2016, dismissed the aforesaid review petition of Government of India for the reasons explained in the Order.

For **SVD & ASSOCIATES**
Company Secretaries

S. V. DEULKAR
Partner
FCS No. : 1321
C P No. : 965

Place: Pune
Date: 26th May, 2016

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE-A

To,
The Members,
Deepak Fertilisers And Petrochemicals Corporation Limited
Opp. Golf Course, Shastri Nagar, Yerawada,
Pune - 411 006

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **SVD & ASSOCIATES**
Company Secretaries

S. V. DEULKAR
Partner
FCS No. : 1321
C P No. : 965

Place: Pune
Date: 26th May, 2016

ANNEXURE-2

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part-"A": Subsidiaries

(₹ in Lacs)

Sr. No.	Particulars	Details of Subsidiaries								
1.	**Name of the Subsidiary**	**Smartchem Technologies Limited#**	**Platinum Blasting Services Pty. Limited#$1**	**Australian Mining Explosives Pty. Limited #$2**	**SCM Soilfert Limited#**	**SCM Fertichem Limited#**	**Deepak Mining Services Private Limited#**	**Deepak Nitrochem Pty. Limited#**	**Runge Pincock Minarco India Private Limited#$3**	**Yerrowda Investments Limited#**
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2015 to 31/03/2016	01/04/2015 to 31/03/2016	01/02/2016 to 31/03/2016	01/04/2015 to 31/03/2016	01/04/2015 to 31/03/2016	01/04/2015 to 31/03/2016	01/04/2015 to 31/03/2016	01/04/2015 to 31/03/2016	01/04/2015 to 31/03/2016
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupees	AUD 1 AUD = ₹ 50.7153	AUD 1 AUD = ₹ 50.7153	Indian Rupees	Indian Rupees	Indian Rupees	AUD 1 AUD = ₹ 50.7153	Indian Rupees	Indian Rupees
4.	Share Capital	100.00	4,657.71	1,876.47	5.00	5.00	1.00	81.14	28.72	24.00
5.	Reserves & Surplus	3,363.17	(1,017.91)	48.65	321.67	(1.29)	(21.01)	(52.43)	(14.69)	4,077.96
6.	Total Assets	7,577.83	6,382.27	2,044.18	1,742.31	3.85	17.57	28.72	36.07	4,227.61
7.	Total Liabilities	4,114.66	2,742.47	119.06	1,415.64	0.14	37.58	–	22.04	149.65
8.	Investments	3,772.66	1,876.47	–	810.01	–	14.64	–	–	3.00
9.	Turnover	3,332.28	3,509.95	149.92	–*	–	–	–	39.20	–
10.	Profit / (Loss) before taxation	(504.87)	(357.43)	46.18	5,692.00	(0.51)	(1.97)	–	(7.43)	(2.02)
11.	Provision for taxation	(13.80)	–	–	1,214.76	–	–	–	–	–
12.	Profit / (Loss) after taxation	(491.07)	(357.43)	46.18	4,477.23	(0.51)	(1.97)	–	(7.43)	(2.02)
13.	Proposed Dividend	25.00	–	–	–	–	–	–	–	–
14.	% of shareholding	100.00%	79.27%	100.00%	100.00%	100.00%	100.00%	100.00%	51.00%	85.00%

 # Standalone Figures
$1 Subsidiary of Smatchem Technolgies Limited
$2 Subsidiary of Platinum Blasting Services Pty. Limited;
$3 Subsidiary of Deepak Mining Services Private Limited;
** Turnover excludes other income of ₹ 5,744.17 Lacs*

1. **Smartchem Technologies Limited (STL)**
   The Company, is a wholly owned subsidiary of your Company, is in the business of manufacturing Technical Grade Ammonium Nitrate with capacity of 40,000 MT per annum and plays a critical role in meeting the need of customers based in eastern India, at a beneficial logistic cost. During the year, co. facing a challenging time because of restriction on coal mining and new Ammonium Nitrate Rules, the Company achieved a turnover of ₹ 33.32 crores and profit before tax of ₹ (5.05) crores. STL also announced a dividend of 25% for the Financial Year 2015-16 amounting to ₹ 25 Lacs.
2. **Platinum Blasting Services Pty. Limited, Australia**
   Platinum Blasting Services Pty. Limited is a joint venture (JV) between your Company's wholly owned subsidiary Smartchem Technologies Ltd. (STL) with local Australian partners having vast experience in providing value-added blasting services and operational expertise to mining and explosives industries in Australia. This is part of your Company's forward integration initiative. Your Company has supplied Technical Ammonium Nitrate to the JV. The JV is now evaluating setting up emulsion facilities, which will significantly improve margins in the years' ahead.
3. **Australian Mining Explosives Pty. Limited**
   Australian Mining Explosives Pty. Limited (AME), an Australian company, is a wholly owned subsidiary of Platinum Blasting Services Pty. Ltd. (a subsidiary of Smartchem Technologies Limited, which is a wholly owned subsidiary of the Company) and is engaged in the business of storage and handling of Technical Ammonium Nitrate. Controlling interest in AME by Platinum Blasting Services Pty. Ltd. was acquired during the financial year 15-16 at ₹ 18.5 Crores (AUD 3.7 mn).
4. **Deepak Mining Services Pvt Limited**
   Deepak Mining Services Pvt Limited is a wholly owned subsidiary of your Company and in the business of providing consultancy to mining companies in India. It provides consultancy in the entire value chain of the mining business. With the private coal mining segment opening up, it has great potential to mature into a high growth profitable business. The current year was challenging in view of the lull in the sector emanating out of the re-auctioning of the coal blocks.
5. **Runge Pincock Minarco India Co. Ltd. (RPM)**
   Runge Pincock Minarco India Co. Ltd. is a joint venture between Deepak Mining Services Pvt Ltd and Runge Pincock Minarco (RPM) Co. Ltd., Australia, a global leader in mine consultancy and provider of advanced mining software. The JV will help in bringing global best practices to the Indian mining industries and has good potential to capture the emerging opportunity in mining business. The current year was challenging in view of the lull in the sector emanating out of the re-auctioning of the coal blocks.
6. **Yerrowda Investments Limited**
   Yerrowda Investments Limited(YIL), a subsidiary of your Company, is operating in real estate sector and owns immovable property in Pune. YIL has legal title for the land and buildings located at Deepak Complex, Pune owned by your Company.
7. **To capture any emerging business opportunity, the Company has following subsidiary Companies focussed at respective sectors:**
   a) SCM Soilfert Limited (SSL) – Agri sector Investment in shares of MCFL, a Company engaged in Agri Business, was carried out through SSL.
   b) SCM Fertichem Limited – Agri sector
   c) Deepak Nitrochem Pty Limited – TAN, Australia

Part-"B": Associates and Joint Ventures

(₹ in Lacs)

Sr. No.	Particulars	Details of Associates & Joint Venture			
1.	**Name of the Associates and Joint Ventures**	**Ishanya Brand Services Limited#**	**Ishanya Realty Corporation Limited#**	**Desai Fruits and Vegetables Private Limited#**	**Mumbai Modern Terminal Market Complex Private Limited#**
2.	Latest audited balance Sheet Date	01/04/2015 to 31/03/2016	01/04/2015 to 31/03/2016	01/04/2015 to 31/03/2016	01/04/2015 to 31/03/2016
3.	No. Shares of Associate / Joint Ventures held by the Company on the year end	49,994	49,994	50,81,363	4,000
	- Amount of Investment in Associate/ Joint Venture	5.00	5.00	4,329.91	0.40
	- Extent of Holding %	49.99%	49.99%	49%	40%
4.	Description of how there is significant influence	DFPCL is holding more than threshold limit of 20%	DFPCL is holding more than threshold limit of 20%	Management Control	DFPCL is holding more than threshold limit of 20%
5.	Reason why the associate/ joint venture is not consolidated	There is no transaction during the year and on basis of materiality and capital base the amount is negligible.	There is no transaction during the year and on basis of materiality and capital base the amount is negligible.	–	There is no transaction during the year and on basis of materiality and capital base the amount is negligible.
6.	Net-worth attributable to Shareholding as per latest audited Balance Sheet	8.26	3.30	231.06	0.66
7.	Profit/ (Loss) for the year	0.28	(0.05)	(320.54)	(0.10)
8.	Considered in Consolidation	–	–	(157.06)	–
9.	Not Considered in Consolidation	0.28	(0.05)	(163.47)	(0.10)

 # Standalone Figures

1. Desai Fruits and Vegetables Private Limited

This is a Joint Venture (JV) which is focussed on growing banana plantation and supplies to domestic as well as international market. The JV also has confirmed export orders from overseas buyers and is receiving encouraging response from others. During the financial year, the JV achieved a turnover of ₹ 5,684.29 Lacs and its loss is ₹ 320.54 Lacs.

2. To capture any emerging business opportunity, the Company has following Associate Companies focussed at respective sectors:

a) Ishanya Brand Services Limited – Realty sector

b) Ishanya Realty Corporation Limited – Realty sector

c) Mumbai Modern Terminal Market Complex Private Limited

ANNEXURE-3

Nomination and Remuneration Policy

1. Introduction

In terms of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors vide circular resolution dated 29th December, 2014. This policy shall act as a guideline for determining, *inter-alia*, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel & Senior Management.

2. Objective

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and applicable regulations under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Key Objectives of the Committee would be:

a) To recommend to the Board appointment and removal of Directors, Key Managerial Personnel and Senior Management in accordance with criteria laid down.

b) To recommend to the Board a policy including following:

(i) determining qualifications, positive attributes and independence of a director;

(ii) Remuneration for the Directors, Key Managerial Personnel and Senior Management;

(iii) Remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(iv) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

(v) Remuneration to directors, key managerial personnel and senior management 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;

(vi) Performance evaluation of Independent Directors and the Board; and

(vii) Board diversity.

3. Definitions

"Act" means Companies Act, 2013 and rules thereunder.

"Board" means Board of Directors of the Company

"Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

"Company" means Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL).

"Independent Director" means a Director of the Company, not being in whole time employment and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

"Key Managerial Personnel" means Key managerial personnel as defined under the Companies Act, 2013 and includes:

i. Managing Director or Executive Director or Chief Executive Officer or Manager

ii. Whole-time Director;

iii. Company Secretary;

iv. Chief Financial Officer; and

v. such other officer as may be prescribed.

"Policy" means Nomination and Remuneration Policy.

"Senior Management" means personnel of the Company who are members of its core management team (Internal Board) excluding the Board of Directors.

4. Functions of Committee:

The Nomination and Remuneration Committee shall, inter-alia, perform the following functions:

a) Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.

b) To recommend to the Board a policy for following:

(i) Determining qualifications, positive attributes and independence of a director;

(ii) Remuneration for the Directors, Key Managerial Personnel and Senior Management;

(iii) Remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(iv) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

(v) Remuneration to directors, key managerial personnel and senior management 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;

(vi) Performance evaluation of Independent Directors and the Board; and

(vii) Board diversity.

The Chairperson of the Nomination and Remuneration Committee or, in his absence, any other member of the committee authorised by the Chairperson in this behalf shall attend the general meetings of the Company.

Provided that Nomination and Remuneration Committee shall set up mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the Directors and / or officers of the Company, as deemed necessary for proper and expeditious execution.

5. Membership

i. The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.

ii. The quorum shall be either two members or one third of the members of the Committee whichever is higher.

iii. Membership of the Committee shall be disclosed in the Annual Report.

iv. Term of the Committee shall be continued unless terminated by the Board of Directors.

6. Chairperson

i. Chairperson of the Committee shall be an Independent Director.

ii. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

iii. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

7. Frequency of Meeting

The meeting of the Committee shall be held at such regular intervals as may be required.

8. Secretary

The Company Secretary of the Company shall act as Secretary of the Committee.

9. Minutes of Committee Meeting

Proceedings of all meetings shall be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meetings.

10. Policy for appointment and removal of Director, KMP and Senior Management

(A) Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

c) The Committee shall devise a policy on Board diversity after reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board which will facilitate the Committee to recommend on any proposed changes to the Board to complement the Company's corporate strategy.

(B) Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

(C) Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

11. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

(A) General

a) The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the provisions of the Act.

c) Term / Tenure of the Directors shall be as per Company's policy and subject to the provisions of the Act.

(B) Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel

a) Fixed pay

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/the Person authorized by the Board and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration

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

c) Provisions for excess remuneration

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act 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.

(C) Remuneration to Non- Executive / Independent Director

a) Remuneration / Commission

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Act.

b) 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 be decided by the Board and subject to the limit as provided in the Act.

c) Commission

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

12. Amendments

This Policy may be amended by the Board at any time and is subject to (i) amendments to the Companies Act, 2013 (the Act 2013) and (ii) further guidelines and enactments by the SEBI, including SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

ANNEXURE-4

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2015-16

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken as per CSR Policy and projects or programs.

For over three decades as a socially responsible Company, Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL), has engaged in community work through Ishanya Foundation at Taloja and Pune in Maharashtra and Deepak Foundation in Vadodara in Gujarat. The Ishanya Foundation has been conducting several outreach programmes, in and around Pune and also in villages around Taloja in Panvel Taluka in Raigad District. These programmes are in the areas of:

a) Women empowerment through vocational training (skill development) and livelihood programmes

b) Health and

c) Education

The underlying objectives are aimed at making people self-reliant through economic and social empowerment, providing employable skills and social entrepreneurship opportunities to youth, women and marginal farmers to ensure livelihood for economic betterment and social development of themselves and their families instilling pride and confidence (in the target population) to take on future challenges.

Health initiatives, farmer support programs, culture and heritage support programs have also formed DFPCL's ancillary focus areas. Improving the quality and infrastructure in the educational institutions has also been the Company's priorities.

2. The Composition of the CSR Committee

Sr. No.	Name of Director	Chairman / Member
1.	Shri Pranay Vakil	Chairman
2.	Smt. Parul S. Mehta	Member
3.	Shri S. R. Wadhwa	Member

3. Average net profit of the Company for last three financial years: ₹ 19,607.25 Lacs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 392 Lacs

5. Details of CSR spent during the financial year:

a) Total amount to be spent for the financial year: ₹ 392 Lacs

b) Amount unspent, if any: ₹ 224.14 Lacs

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

(₹ in Lacs)

Sr. No.	CSR project or Activity Identified	Sector in which the Project is covered	Project or programs		Amount outlay (budget) project or program wise	Amount spent on the projects or programs during the FY 2015-16		Cumulative expenditure for upto the reporting period	Amount spent: Direct or through implementing Agency
			Local Area or other	State or District where Project or Programs was undertaken		Direct Expenditure on project	Overheads		
1.	Dairy Development	Animal Welfare	Taloja	Maharashtra	83.51	31.61	1.73	63.35	Implementing Agency -Ishanya Foundation.
2.	Establishment of Private Industrial Training Institute / Contribution for promotion of education	Employment Enhancing Vocational Skills especially among Women & Children.	Taloja	Maharashtra	23.61	6.86	0.28	7.14	Implementing Agency -Ishanya Foundation/ Direct
3.	Horticulture Development / Contribution for environmental protection	Ensuring Environmental sustainability,Ecological Balance,Protection of Flora fauna	Taloja	Maharashtra	63.80	41.58	1.44	60.36	Implementing Agency -Ishanya Foundation/ Direct
4.	Vocational Skill Development, Health & Education Project.	Vocational training Courses For woman/ Men	Pune/ Taloja	Maharashtra	117.41	39.19	1.95	67.62	Implementing Agency -Ishanya Foundation
5.	Ishanya Restoration and Exhibition of Art, Culture & Handicrafts / Contribution for promotion of art & culture	Promotional and developments of Traditional Arts and Handicrafts	Pune	Maharashtra	39.73	10.54	0.05	12.51	Implementing Agency -Ishanya Foundation/ Direct
6.	Livelihood Enhancement through Enterpreneurship Development	Livelihood enhancemenments through Enterpreneurship	Pune	Maharashtra	46.95	24.72	1.81	33.57	Implementing Agency -Ishanya Foundation

Sr. No.	CSR project or Activity Identified	Sector in which the Project is covered	Project or programs		Amount outlay (budget) project or program wise	Amount spent on the projects or programs during the FY 2015-16		Cumulative expenditure for upto the reporting period	Amount spent: Direct or through implementing Agency
			Local Area or other	State or District where Project or Programs was undertaken		Direct Expenditure on project	Overheads		
7.	Community Development				97.69	–	–	–	Implementing Agency -Ishanya Foundation
8.	Promotion of Road Safety	Promoting Education & Vocational Skills	Taloja	Maharashtra	2.00	–	–	0.20	Implementing Agency -Ishanya Foundation
9.	Contribution for medical assistance and for draught relief	Eradication of hunger, poverty and malnutrition, promoting healthcare	Other	Maharashtra	–	6.10	–	6.10	Direct
	Total				474.70	160.60	7.26	250.86	

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

During the year under review, the Company has made consistent efforts to identify the projects for its CSR initiatives and accordingly as one of its major initiative the Company has decided to set up an ITI in Taloja near its factory for imparting vocational skills and training for woman and children. The shortfall in the spend during the year under report and of earlier years is intended to be made good in future, substantially in the aforesaid ITI and also in suitable projects within the Company's CSR policy upon identification of the same.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objective and Policy of the Company.

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

S. C. MEHTA
(Chairman & Managing Director)

PRANAY VAKIL
(Chairman - CSR Committee)

ANNEXURE-5

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the Financial Year ended on 31st March, 2016

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

I. REGISTRATION DETAILS

1.	**CIN**	L24121MH1979PLC021360
2.	**Registration Date**	31st May, 1979
3.	**Name of the Company**	Deepak Fertilisers And Petrochemicals Corporation Ltd.
4.	**Category / Sub-Category of the Company**	Company Limited by Shares / Indian Non-Government Company
5.	**Address of the Registered office and contact details**	Opp Golf Course, Shastri Nagar, Yerawada, Pune – 411006 Phone : (020) 6645 8000, 26688117 Fax : (020) 26683723 E-mail : investorgrievance@dfpcl.com Website : www.dfpcl.com
6.	**Whether listed company Yes / No**	Yes
7.	**Name, Address and Contact details of Registrar and Transfer Agent (RTA), if any** (During the year under review, Sharepro Services (India) Pvt. Ltd. acted as the Company's RTA. M/s. Karvy Computershare Private Limited has been appointed as RTA with effect from 1st July, 2016.)	M/s. Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Phone : (040) 6716 2222 Fax : (040) 2342 0814 Contact Person : Mr. S. V. Raju Designation : Deputy General Manager E-mail : einward.ris@karvy.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.	Nitrophosphate (Fertilisers)	20122	11.29%
2.	Complexes (Fertilisers)	20122	10.39%
3.	Technical Ammonium Nitrate	20123	21.95%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	NIC Code of the Product/ service	CIN/GLN	Holding/ Subsidiary/ Associate	% of Share held	Applicable section
1.	Smartchem Technologies Ltd. (STL)	20123	U67120AP1987PLC039114	Subsidiary	100%	2 (87)
2.	SCM Soilfert Ltd.	–	U24120PN2012PLC145024	Subsidiary	100%	2 (87)
3.	SCM Fertichem Ltd. (SFL)	–	U24211PN2012PLC145023	Subsidiary	100%	2 (87)
4.	Deepak Mining Services Private Ltd.	09900	U14100PN2008PTC132562	Subsidiary	100%	2 (87)
5.	RungePincockMinarco India Private Ltd.#	09900	U14200PN2012PTC145300	Subsidiary	51%	2 (87)
6.	Yerrowda Investments Ltd.	–	U65990MH1954PLC009228	Subsidiary	85%	2 (87)
7.	Ishanya Brand Services Ltd.	–	U74900PN2008PLC131967	Associate	49.99%	2 (6)
8.	Ishanya Realty Corporation Ltd.	–	U70101PN2008PLC131330	Associate	49.99%	2 (6)
9.	Mumbai Modern Terminal Complex Private Limited	–	U45201MH2014PTC257412	Associate	40.00%	2 (6)
10.	Desai Fruits and Vegetables Private Ltd.	–	U63020GJ1999PTC035377	Joint Venture	49%	2 (6)
11.	Deepak Nitrochem Pty. Ltd.	–	–	Subsidiary	100%	2 (87)
12.	Platinum Blasting Services Pty. Ltd.##	–	–	Subsidiary	79.27	2 (87)
13.	Australian Mining Explosives Pty Ltd.###	–	–	Subsidiary	79.27	2 (87)

\# Subsidiary of Deepak Mining Services Private Limited
Subsidiary of Smartchem Technologies Limited
Subsidiary of Platinum Blasting Services Pty. Ltd.

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

i. Category wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/HUF	25,404,701	-	25,404,701	28.80	26,394,005	–	26,394,005	29.92	1.12
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	18,655,372	-	18,655,372	21.15	18,655,372	-	18,655,372	21.15	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	**44,060,073**	**-**	**44,060,073**	**49.95**	**45,049,377**	-	**45,049,377**	**51.07**	**1.12**
2. Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**44,060,073**	**-**	**44,060,073**	**49.95**	**45,049,377**	-	**45,049,377**	**51.07**	**1.12**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,713,078	10,225	1,723,303	1.95	1,039,637	10,225	1,049,862	1.19	0.76
b) Banks / FI	21,196	8,805	30,001	0.03	32,188	8,805	40,993	0.05	0.02
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Insurance Companies	1,723,604	750	1,724,354	1.95	1,931,039	750	1,931,789	2.19	0.24
Foreign Institutional Investor	12,903,765	-	12,903,765	14.63	10,486,349	-	10,486,349	11.89	2.74
Foreign Portfolio-Corp	156,859	-	156,859	0.18	2,266,883	-	2,266,883	2.57	2.39
Sub-total (B)(1):-	**16,518,502**	**19,780**	**16,538,282**	**18.75**	**15,756,096**	**19780**	**15,775,876**	**17.89**	**6.15**
2. Non-Institutions									
a) Bodies Corp.	4,310,020	31,201	4,341,221	4.92	5,195,457	30,801	5,226,258	5.93	1.01
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	12,581,031	5146505	17,727,536	20.10	12,729,278	4,971,290	17,700,568	20.07	0.03
i) Individual shareholders holding nominal share capital more than ₹ 1 lakh	3,013,526	66,950	3,080,476	3.49	2,102,535	20,050	2,122,585	2.41	1.08
c) Others (Specify	-	-	-	-	-	-	-	-	-
Non-Resident Indian	748,806	1,506,125	2,254,931	2.56	672,080	1,464,575	2,136,655	2.42	0.14
Non-Domestic Companies	-	184,750	184,750	0.21	-	184,750	184,750	0.21	0.00
Trust	17,624	50	17,674	0.02	8,824	50	8,874	0.01	0.01
Sub-total (B)(2):-	**20,671,007**	**6,935,581**	**27,606,588**	**26.38**	**20,708,174**	**6,671,516**	**27,379,690**	**31.04**	**1.26**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**37,189,509**	**6,955,361**	**44,144,870**	**50.05**	**36,464,270**	**6,691,296**	**43,155,566**	**48.93**	**9.68**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**81,249,582**	**6,955,361**	**88,204,943**	**100.00**	**81,513,647**	**6,691,296**	**88,204,943**	**100.00**	**-**

ii. Share Holding of Promoter

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year			No. of Shares held at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Sailesh C. Mehta	21,284,506	24.13	-	21,284,506	24.13	-	-
2.	Nova Synthetic Ltd.	17,267,071	19.58	-	17,267,071	19.58	-	-
3.	Storewell Credits & Capital Pvt. Ltd.	1,262,084	1.43	-	1,262,084	1.43	-	-
4.	Chimanlal Khimchand Mehta	1,064,273	1.21	-	1,064,273	1.21	-	-
5.	Parul Sailesh Mehta	3,055,922	3.46	-	4,045,226	4.58	-	1.12
6.	Sofotel Infra Pvt. Ltd.	126,217	0.14	-	126,217	0.14	-	-

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	**Sailesh C Mehta**				
	At the beginning of the year	21,284,506	24.13	21,284,506	24.13
	At the end of the year	-	-	21,284,506	24.13
2.	**Nova Synthetic Ltd.**				
	At the beginning of the year	17267071	19.58	17,267,071	19.58
	At the end of the year	-	-	17,267,071	19.58
3.	**Storewell Credits & Capital Pvt. Ltd.**				
	At the beginning of the year	1,262,084	1.43	1,262,084	1.43
	At the end of the year	-	-	1,262,084	1.43
4.	**Chimanlal Khimchand Mehta**				
	At the beginning of the year	1,064,273	1.21	1,064,273	1.21
	At the end of the year	-	-	1,064,273	1.21
5.	**Parul Sailesh Mehta**				
	At the beginning of the year	3,055,922	3.46	3,055,922	3.46
	Purchase of Shares on 1 May 2015	700,000	0.79	3,755,922	4.26
	Purchase of Shares on 16 October 2015	21,864	0.02	3,777,786	4.28
	Purchase of Shares on 23 October 2015	9,233	0.01	3,787,019	4.29
	Purchase of Shares on 30 October 2015	183,223	0.21	3,970,242	4.50
	Purchase of Shares on 6 November 2015	100	0.00	3970342	4.50
	Purchase of Shares on 4 March 2016	11,485	0.01	3,981,827	4.51
	Purchase of Shares on 11 March 2016	63,399	0.07	4,045,226	4.58
	At the end of the year	-	-	4,045,226	4.58
6.	**Sofotel Infra Pvt. Ltd.**				
	At the beginning of the year	126,217	0.14	126,217	0.14
	At the end of the year	-	-	126,217	0.14

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	**Fidelity Puritan Trust-Fidelity Low-Priced Stock Fund**				
	At the beginning of the year	7,569,000	8.58	7,569,000	8.58
	At the end of the year (or on the date of separation, if separated during the year)	-	-	7,569,000	8.58
2.	**Fidelity Northstar Fund**				
	At the beginning of the year	1,250,500	1.42	1,250,500	1.42
	At the end of the year (or on the date of separation, if separated during the year)	-	-	1,250,500	1.42
3.	**ICICI Prudential Life Insurance Company Ltd**				
	At the beginning of the year	1,080,183	1.22	1,080,183	1.22
	At the end of the year (or on the date of separation, if separated during the year)	-	-	1,080,183	1.22
4.	**The New India Assurance Company Limited**				
	At the beginning of the year	834,944	0.95	834,944	0.95
	Purchase of Shares on 4 September 2015	251	0.00	835,195	0.95
	Purchase of Shares on 11 September 2015	31,030	0.03	866,225	0.98
	Purchase of Shares on 11 September 2015	20,632	0.02	886,857	1.00
	Purchase of Shares on 25 September 2015	23,174	0.03	910,031	1.03
	Purchase of Shares on 30 September 2015	12,641	0.01	922,672	1.04
	Purchase of Shares on 9 October 2015	77,036	0.09	999,708	1.13
	Purchase of Shares on 16 October 2015	40,620	0.05	1,040,328	1.18
	Purchase of Shares on 23 October 2015	25,773	0.03	1,066,101	1.21
	Purchase of Shares on 19 February 2016	44,286	0.05	1,110,387	1.26
	Purchase of Shares on 26 February 2016	1,350	0.00	1,111,737	1.26
	At the end of the year (or on the date of separation, if separated during the year)	-	-	1,111,737	1.26
5.	**Franklin India Smaller Companies Fund**				
	At the beginning of the year	729,587	0.82	729,587	0.82
	Sale of Shares on 11 March 2016	393,000	0.45	336,587	0.38
	Sale of Shares on 25 March 2016	336,587	0.38	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-
6.	**Robust Marketing Services Pvt. Limited**				
	At the beginning of the year	690,514	0.78	690,514	0.78
	Sale of Shares on 24 April 2015	690,514	0.78	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-
7.	**Dimensional Emerging Markets Value Fund**				
	At the beginning of the year	598,326	0.68	598,326	0.68
	Purchase of Shares on 17 July 2015	1,1329	0.01	609,655	0.69
	Purchase of Shares on 31 July 2015	5,719	0.00	615,374	0.70
	Purchase of Shares on 31 October 2015	5,419	0.00	620,793	0.70
	Purchase of Shares on 8 January 2016	5,319	0.00	626,112	0.71
	Purchase of Shares on 15 January 2016	10,090	0.01	636,202	0.72
	Purchase of Shares on 29 January 2016	5,310	0.00	641,512	0.73
	Purchase of Shares on 5 February 2016	5,509	0.00	647,021	0.73
	At the end of the year (or on the date of separation, if separated during the year)	-	-	647,021	0.73
8.	**General Insurance Corporation of India**				
	At the beginning of the year	500,151	0.57	500,151	0.57
	At the end of the year (or on the date of separation, if separated during the year)	-	-	500,151	0.57
9.	**ICICI Prudential Dividend Yield Equity Fund**				
	At the beginning of the year	460,414	0.52	460,414	0.52
	Purchase of Shares on 12 June 2015	48,199	0.05	508,613	0.58
	Sale of Shares on 9 October 2015	50,000	0.06	458,613	0.52
	Sale of Shares on 15 January 2016	559	0.00	458,054	0.52
	Sale of Shares on 15 January 2016	35,109	0.04	422,945	0.48
	At the end of the year (or on the date of separation, if separated during the year)	-	-	422,945	0.48

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
10.	**C D Equisearch Pvt. Ltd.**				
	At the beginning of the year	408,300	0.46	408,300	0.46
	Sale of Shares on 10 April 2015	408,300	0.46	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-
11.	**ICICI Prudential Value Fund Series 4**				
	At the beginning of the year	407,300	0.46	407,300	0.46
	Sale of Shares on 26 February 2016	22,948	0.03	384,352	0.44
	Sale of Shares on 4 March 2016	384,352	0.44	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-
12.	**Australiansuper**				
	At the beginning of the year	305,464	0.35	305,464	0.35
	At the end of the year (or on the date of separation, if separated during the year)	-	-	305,464	0.35
13.	**Government of The Province of Alberta Managed By Comgest S.A**				
	At the beginning of the year	252,000	0.29	25,2000	0.29
	Purchase of Shares on 12 April 2015	3,521	0.00	255,521	0.29
	Purchase of Shares on 17 April 2015	13,768	0.02	269,289	0.31
	Purchase of Shares on 24 April 2015	13,566	0.01	282,855	0.32
	Purchase of Shares on 1 May 2015	6,929	0.00	289,784	0.33
	Purchase of Shares on 8 May 2015	8,829	0.00	298,613	0.34
	Purchase of Shares on 15 May 2015	12,417	0.01	311,030	0.35
	Purchase of Shares on 22 May 2015	7,663	0.00	318,693	0.36
	Purchase of Shares on 29 May 2015	9,681	0.00	328,374	0.37
	Purchase of Shares on 5 June 2015	6,917	0.00	335,291	0.38
	Purchase of Shares on 12 June 2015	4,599	0.00	339,890	0.39
	Purchase of Shares on 19 June 2015	6,868	0.00	346,758	0.39
	Purchase of Shares on 19 June 2015	5,946	0.00	352,704	0.40
	Purchase of Shares on 30 June 2015	2,127	0.00	354,831	0.40
	Purchase of Shares on 30 June 2015	6,173	0.00	361,004	0.41
	Purchase of Shares on 17 July 2015	14,405	0.02	375,409	0.43
	Purchase of Shares on 24 July 2015	4,800	0.00	380,209	0.43
	Purchase of Shares on 31 July 2015	1,300	0.00	381,509	0.43
	At the end of the year (or on the date of separation, if separated during the year)	-	-	381,509	0.43
14.	**CD Equifinance Private Limited**				
	At the beginning of the year	-	-	-	-
	Purchase of Shares on 10 April 2015	200,000	0.23	200,000	0.23
	Purchase of Shares on 10 April 2015	20,000	0.02	220,000	0.25
	Purchase of Shares on 5 June 2015	187,175	0.21	407,175	0.46
	Sale of Shares on 26 February 2016	21,689	0.02	385,486	0.44
	At the end of the year (or on the date of separation, if separated during the year)	-	-	385,486	0.44
15.	**ICICI Prudential Balanced Advantage Fund**				
	At the beginning of the year	-	-	-	-
	Purchase of Shares on 26 June 2015	7,758	0.01	7,758	0.01
	Purchase of Shares on 30 June 2015	30,253	0.03	38,011	0.04
	Purchase of Shares on 10 July 2015	19,132	0.02	57,143	0.06
	Purchase of Shares on 30 September 2015	173,089	0.20	230,232	0.26
	Purchase of Shares on 9 October 2015	73,588	0.08	303,820	0.34
	Purchase of Shares on 16 October 2015	50,726	0.06	354,546	0.40
	Purchase of Shares on 30 October 2015	67,658	0.08	422,204	0.48
	Sale of Shares on 4 December 2015	164,161	0.19	258,043	0.29
	Sale of Shares on 4 December 2015	176,122	0.20	81,921	0.09
	Sale of Shares on 25 December 2015	59,945	0.07	21,976	0.00
	Sale of Shares on 31 December 2015	21,976	0.00	-	-
	At the end of the year (or on the date of separation, if separated during the year)			-	-

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
16.	**DEUTSCHE Bank A.G.**				
	At the beginning of the year	-	-	-	-
	Purchase of Shares on 15 January 2016	1,000	0.00	1,000	0.00
	Purchase of Shares on 11 March 2016	393,000	0.45	394,000	0.45
	Sale of Shares on 25 March 2016	56,413	0.06	337,587	0.38
	Sale of Shares on 31 March 2016	337,587	0.38	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-
17.	**ICICI Lombard General Insurance Company Ltd.**				
	At the beginning of the year	-	-	-	-
	Purchase of Shares on 14 August 2015	287,374	0.33	287,374	0.33
	Purchase of Shares on 21 August 2015	104,798	0.12	392,172	0.44
	Purchase of Shares on 21 August 2015	107,828	0.12	500,000	0.57
	Purchase of Shares on 4 September 2015	29,038	0.03	529,038	0.60
	Purchase of Shares on 11 September 2015	35,505	0.04	564,543	0.64
	Purchase of Shares on 19 February 2016	35,600	0.04	600,143	0.68
	Purchase of Shares on 19 February 2016	30,000	0.03	630,143	0.71
	Purchase of Shares on 4 March 2016	434,700	0.49	1,064,843	1.21
	Purchase of Shares on 11 March 2016	33,485	0.04	1,098,328	1.25
	Purchase of Shares on 18 March 2016	401,672	0.45	1,500,000	1.70
	Purchase of Shares on 18 March 2016	350,000	0.39	1,850,000	2.10
	At the end of the year (or on the date of separation, if separated during the year)	-	-	1,850,000	2.10
18.	**JM Financial Services Limited**				
	At the beginning of the year	-	-	-	-
	Purchase of Shares on 17 April 2015	2,500	0.00	2,500	0.00
	Purchase of Shares on 24 April 2015	344,096	0.39	346,596	0.39
	Sale of Shares on 10 July 2015	346,546	0.39	50	0.00
	Purchase of Shares on 24 July 2015	6,050	0.00	6,100	0.01
	Sale of Shares on 14 August 2015	100	0.00	6,000	0.01
	Sale of Shares on 21 August 2015	6,000	0.01	-	-
	Purchase of Shares on 23 October 2015	5,000	0.00	5,000	0.00
	Sale of Shares on 13 November 2015	4,955	0.00	45	0.00
	Sale of Shares on 20 November 2015	45	0.00	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	**Sailesh C. Mehta**				
	At the beginning of the year	21,284,506	24.13	21,284,506	24.13
	At the end of the year	-	-	21,284,506	24.13
2.	**Partha Bhattacharyya**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
3.	**R. A. Shah**				
	At the beginning of the year	37,800	0.04	37,800	0.04
	At the end of the year	-	-	37,800	0.04
4.	**D. Basu**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
5.	**N. C. Singhal**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
6.	**U. P. Jhaveri**				
	At the beginning of the year	500	0.00	500	0.00
	At the end of the year	-	-	500	0.00

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
7.	**S. R. Wadhwa**				
	At the beginning of the year	1,000	0.001	1,000	0.001
	At the end of the year	-	-	1,000	0.001
8.	**Dr. S. Rama Iyer**				
	At the beginning of the year	15,000	0.02	15,000	0.02
	At the end of the year	-	-	15,000	0.02
9.	**Parul Sailesh Mehta**				
	At the beginning of the year	3,055,922	3.46	3,055,922	3.46
	Purchase of Shares on 1 May 2015	700,000	0.79	3,755,922	4.26
	Purchase of Shares on 16 October 2015	21,864	0.02	3,777,786	4.28
	Purchase of Shares on 23 October 2015	9,233	0.01	3,787,019	4.29
	Purchase of Shares on 30 October 2015	183,223	0.21	3,970,242	4.50
	Purchase of Shares on 6 November 2015	100	0.00	3,970,342	4.50
	Purchase of Shares on 4 March 2016	11,485	0.01	3,981,827	4.51
	Purchase of Shares on 11 March 2016	63,399	0.07	4,045,226	4.58
	At the end of the year	-	-	4,045,226	4.58
10.	**Anil Sachdev**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
11.	**Pranay Vakil**				
	At the beginning of the year	4475	0.005	4,475	0.005
	At the end of the year	-	-	4,475	0.005
12.	**Somnath Patil**				
	At the beginning of the year	100	0.00	100	0.00
	At the end of the year	-	-	100	0.00
13.	**Vipin Agarwal**				
	At the beginning of the year	400	0.00	400	0.00
	At the end of the year	-	-	400	0.00
14.	**Tushar Dey**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
15.	**Mandar Velankar**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-

V. INDEBTEDNESS

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

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	103,802.79	34,455.54	-	138,258.33
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,126.33	148.50	-	1,274.83
Total (i+ii+iii)	104,929.12	34,604.04	-	139,533.16
Change in Indebtedness during the financial year				
• Addition	157,679.67	74,572.43	-	2,32,252.10
• Reduction	(176,338.61)		-	(176,338.61)
Net Change	(18,658.94)	74,572.43	-	55,913.49
Indebtedness at the end of the financial year				
i) Principal Amount	85,646.88	108,348.86	-	1,93,995.74
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	623.30	827.61	-	1,450.91
Total (i+ii+iii)	**86,270.18**	**109,176.47**		**1,95,446.65**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of Chairman & Managing Director/ Executive Director		Total Amount
		Shri S. C. Mehta	Shri Partha Bhattacharyya	
1.	Gross salary (a) Salary as per provisions contained section 17(1) of the Income-tax Act, 1961	2,16,40,769.00	2,75,94,021.62	4,92,34,790.62
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	51,75,621.00	7,33,116.00	59,08,737.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission*	6,04,39,000.00	25,00,000.00	6,29,39,000.00
	- as % of profit			
	- others, specify…			
5.	Others, please specify			
	Total (A)$	**8,72,55,390.00**	**3,08,27,137.62**	**11,80,82,527.62**
	Ceiling as per the Act			**20,54,45,228.32**

* Commission calculated on profit of Financial Year 2014-15 but paid in Financial Year 2015-16.

Commission, as per terms of appointment, relating to Financial Year 2014-15 but paid in Financial Year 2015-16.

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Name of Director			Total Amount
1.	**Independent Director**	**Shri D. Basu**	**Shri U. P. Jhaveri**	**Dr. S. Rama. Iyer**	
	Fee for attending board / committee meetings	1,60,000	2,50,000	4,50,000	8,60,000
	Commission*	10,00,000	8,00,000	11,50,000	29,50,000
	Others, please specify	-	-	-	-
	Total (1)	**11,60,000**	**10,50,000**	**16,00,000**	**38,10,000**
	Independent Director	**Shri Pranay Vakil**	**Shri N. C. Singhal**	**Shri S. R. Wadhwa**	**Total Amount**
	Fee for attending board / committee meetings	3,60,000	3,70,000	4,80,000	12,10,000
	Commission*	8,00,000	11,00,000	10,00,000	29,00,000
	Others, please specify	-	-	-	-
	Total (1)	**11,60,000**	**14,70,000**	**14,80,000**	**41,10,000**
	Independent Director	**Shri Anil Sachdev**	**Shri R.A. Shah**	-	
	Fee for attending board / committee meetings	2,40,000	2,10,000	-	4,50,000
	Commission*	8,00,000	6,00,000	-	14,00,000
	Others, please specify	-	-	-	-
	Total (1)	**10,40,000**	**8,10,000**	-	**18,50,000**
2.	**Other Non-Executive Directors**	**Smt. Parul Mehta**	**Shri. Partha Bhattacharyya**	-	**Total Amount**
	Fee for attending board / committee meetings	1,90,000	1,30,000	-	3,20,000
	Commission*	4,50,000	-	-	4,50,000
	Others, please specify	-	-	-	-
	Total (2)	**6,40,000**	**1,30,000**		**7,70,000**
	Total (B)=(1+2)$	**40,00,000**	**34,60,000**	**30,80,000**	**1,05,40,000**
	Total Managerial Remuneration				**12,86,22,527.62**
	Overall Ceiling as per the Act				**20,54,45,228.32**

* Commission relates to Financial Year 2014-15 but paid in Financial Year 2015-16.

$ Total remuneration to Managing Director, Whole-time Director and other Directors (being the total of A and B)

C. Remuneration to key managerial personnel other than MD / Manager / WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel				Total Amount
		Chief Financial Officer		Company Secretary		
		Somnath Patil (KMP upto 21st January, 2016)	Vipin Agarwal (KMP w.e.f. 22nd January, 2016)	Tushar Dey (KMP upto 16th September, 2015)	Mandar Velankar (KMP w.e.f. 14th March, 2016)	
1.	Gross salary (a) Salary including performance related pay as per provisions contained section 17(1) of the Income-tax Act, 1961	1,36,99,144.00	19,50,528.00	32,07,693.58	1,20,378.00	1,89,77,743.58
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	31,572.00	7,665.00	34,401.00	1,742.00	75,380.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify…	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total	1,37,30,716.00	19,58,193.00	32,42,094.58	1,22,120.00	1,90,53,123.58

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

ANNEXURE-6

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREGIN EXCHANGE EARNINGS AND OUTGO PURSUANT TO SECTION 134(3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

(A) Energy Conservation Measures taken:

a) At K-1 Complex:

i. At Weak Nitric Acid Plant (WNA-4) - Installation of new waste Heat Boiler with upgraded design intended for improvement of 18% in the Name Plate Capacity and increase in generation of steam by 22%.

ii. At Ammonia plant – Improvement in export of steam by around 11%.

iii. Replacement of halide lamps with high efficiency LED lights as an energy conservation measure. Presently 10% replacement has been completed and balance is planned in a phased manner

b) At K7 and K8 Complex:

Reduction of 10.3 % in overall energy (Steam + Power) achieved by multiple energy conservation measures including the following.

i. Utilisation of Excess Flash Steam from LDAN plant for de-aerator heating in WNA-5 boiler, resulting in increase in WNA-5 Steam Export by 175 kg/hr.

ii. Use of VFD (Variable frequency drive) at cooling tower (CT) fan resulted in saving of around 960 KW/day.

(B) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

a) At K-1 Complex:

The activities being planned for year 2016-17

i. Improvement in Steam Export from Ammonia plant by changing over Cooling Tower pump drive from Turbine driven to Motor Driven. Target improvement is 21%.

ii. Installation of New Coal Fired Boiler and Back Pressure Turbine power plant for reducing cost of Steam and Power.

iii. Addition of new chiller in Ammonia Synthesis loop for reduction in compressor energy.

iv. Revamp of Ammonia unloading capacity and use of better design Plate type Heat Exchanger for chiller application leading to low condensation temperatures and reduced compression ratio. This will reduce refrigeration compressor power from 650 KWh to 450 KWh.

v. Installation of solar panels on roof top of Bagging plant building resulting in generation of around 500 KWh.

b) At K7 and K8 Complex:

i. Reduction in GT power cost by 0.90 Rs/KWH by waste heat recovery from HRSG.

(C) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of productions of goods.

The measures referred to under (a) and the proposals under (b) will result in reduction of energy consumption as stated above.

(D) Total energy consumption and energy consumption per unit of production as per Form A in respect of industries specified in the Schedule

FORM A

Disclosure of Particulars with respect to Conservation of Energy

I.		Power & Fuel Consumption	Unit	Current Year (April, 2015 to March, 2016)	Previous Year (April, 2014 to March, 2015)
1		**Electricity**			
	a	**Purchased**			
		Unit	MWH	6,218	10,518
		Total Amount	₹ (Lacs)	824	1,090
		Rate/ Unit	₹ /KWH	13.25	10.36
		Own Generation			
	b	**(i) Through Diesel Generator**			
		Unit	MWH	115	168
		Units per ltr. Of diesel oil	KWH/Ltr.	2.72	2.55
		Cost / Unit	₹ /KWH	20.02	25.68
		(ii) Through Gas Turbine / Generators			
		Unit	MWH	1,14,341	91,635
		Units per M^3 of Gas	KWH/M^3	5.36	4.25
		Cost / Unit	₹ /KWH	6.47	8.36
	c	**(iii) Through Steam Turbine / Generators**			
		Unit	MWH	4,306	4,870
		Cost / Unit	₹ /KWH	4.71	2.71
2		**Through Windmill Turbine / Generators**			
		Units	000 KWH	15,331	16,125
		Cost / Unit	₹ /KWH	2.32	2.39
3		**Coal**	–	Nil	Nil
4		**Furnace Oil**	–	Nil	638.77
5		**Others / internal generation**	–	Nil	Nil

II. Consumption per unit of Production – Unit (KWH/MT)

Sr. No.	Product	Standard Budget Norms (2015-16)	Current Year (April, 2015 to March, 2016)	Previous Year (April, 2014 to March, 2015)
1	Fertilisers (Bensulf and NP)	53.71	60.49	94.88
2	TAN	155.63	163.39	176.45
3	Industrial Chemicals	650.10	646.30	959.05

B. TECHNOLOGY ABSORPTION

FORM B

Disclosure of Particulars with respect to Technology Absorption

RESEARCH & DEVELOPMENT (R & D)

(1) Specific areas in which R&D carried out by the Company

A) At K-1 Plant

i. At the IPA plant- catalyst soaking using technical grade Phosphoric Acid leading to extending Shutdown cycle time from 6 months to 9 (nine) months, resulting in reduction in number of shut down per year.

ii. DISR (Department of Scientific and Industrial Research) recognition was granted by Department of Science and Technology for in-house R&D center.

iii. Successful trial of water soluable fertiliser conducted on commercial scale in October, 2015 using existing NP plant and Drying section of AN Plant.

B) At K-7 and K-8 Complex:

i. Improving air flow by re-design of flow to Prilling Tower in LDAN plant

ii. Magnesium Nitrate (MGN) Dosing on Optiform Product in HDAN plant.

iii. Magnesium Nitrate (MGN) Coated Trail on Optimex Product in LDAN plant.

(2) BENEFITS DERIVED AS A RESULTS OF THE ABOVE R & D

A) At K-1 Plant:

i. Activity (i) has given benefit of extending Shutdown time cycle by 3 months which will lead to reduction in per year no. of shutdowns from 2 no. to 1 no.

ii. Water Soluable Fertiliser is a value added product addition in fertiliser portfolio.

B) At K-7 & K-8 Complex:

i. Improved quality of Ammonium Nitrate Product for customers resulting in drastic reduction in complaints from customers since last three quarters.

(3) Future plan of action

A) At K- 1 Plant

i. Di Isopropyl Ether purification and launching the same to commercial level.

B) At K-7 and K-8 Complex:

i. Enhancement of WNA-5 Capacity and Improvisation in consumption of specific Ammonia in WNA-5.

ii. Improving performance of Compressor in WNA -5.

iii. Benchmarking of TAN (Optimex) quality in international market.

(4) Expenditure on R & D (Including K-1, K-8 & JNPT) (₹ in Lacs)

a)	Capital	Nil
b)	Recurring	153.91
c)	Total	153.91
d)	Total R & D expenditure as a percentage of total turn over	0.04 %

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. **Efforts in brief, made towards, Technology Absorption, Adaptation and Innovation.**

   All the plants technologies have been fully absorbed and are being operated efficiently in K1 Complex.

   At K8 complex, LDAN plant – The designed throughput and quality parameters were achieved by carrying out major modifications based on internal knowhow without any support from process licensor.

2. **Benefits derived as a result of the above efforts e.g. .product improvement, cost reduction, product development, import substitution etc.**

   The qualities of products are globally accepted.

3. **In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished:**

Technology imported	Year of Import	Has technology been fully absorbed?	If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action
UDHE LDAN Technology at K-8 Complex	2011	Yes	The designed throughput and quality parameters were achieved by carrying out major modifications based on internal knowhow without any support from process licensor.
GPN HDAN Technology at K-7 complex	2011	Yes	Not applicable
GPN AN WET Technology at K-7 complex	2011	Yes	Not applicable
NPK Plant ENCRO 2014 Technology	2014	Yes	The plant is under erection

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

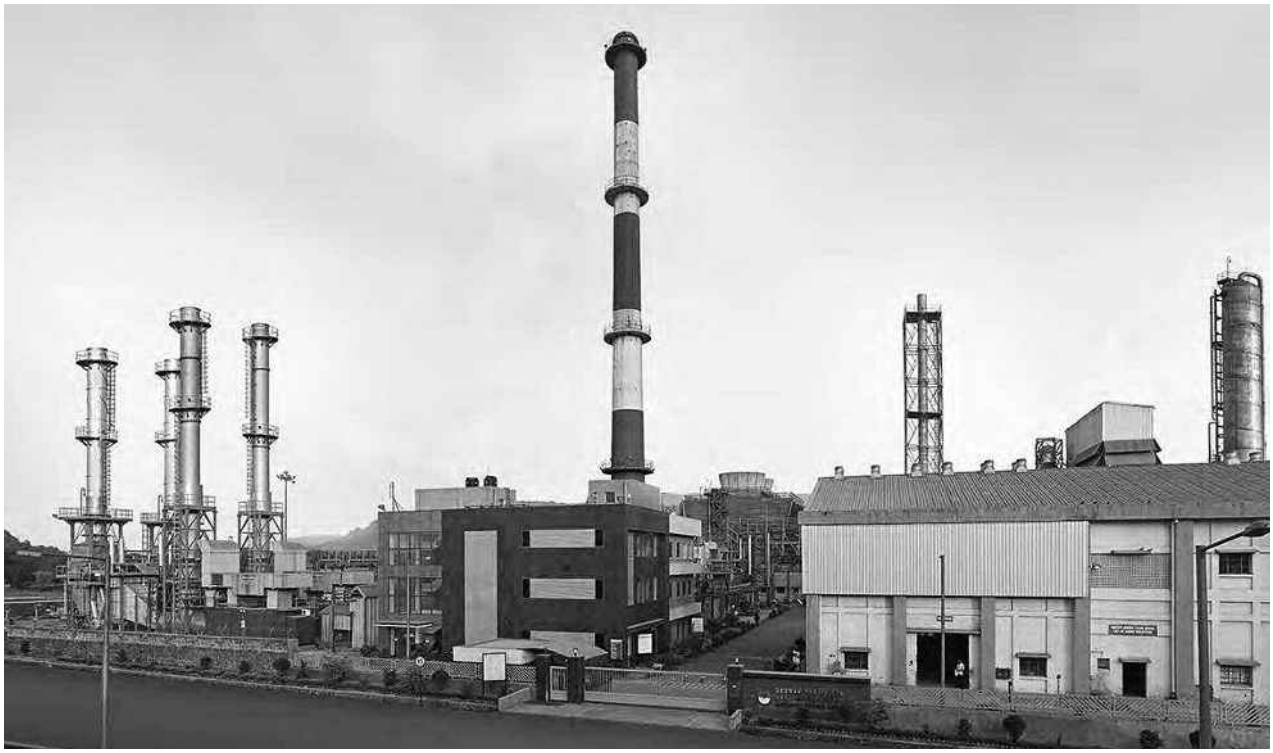
Particulars with regard to Foreign Exchange Earnings and Outgo are set out in Note 46 and 49 to the Accounts.

For and on behalf of the Board of Directors,

Mumbai
Dated 26th May, 2016

S. C. MEHTA
Chairman & Managing Director

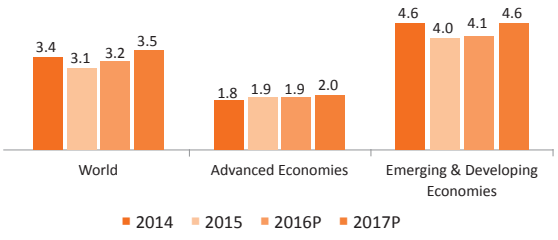
Management Discussion & Analysis



ECONOMIC REVIEW

The global economic growth continued its divergent trait during the year 2015. As per IMF's World Economic Outlook, Advanced Economies steadily moved along their growth trajectory with economic growth further strengthening in US. The Euro region economies also showed signs of stabilisation. The economic growth in the Emerging and Developing Economies however witnessed further slowdown. The structural shift in China, geo-political issues in Brazil & Middle East, trade embargos on Russia and volatility in oil prices have been the major reasons for the slowdown in growth for the emerging and developing economies. The global economic growth during the year 2015 stood at 3.1%. IMF has projected that the global economic growth would further stabilise in the year 2016 and would gain momentum in 2017.

Exhibit 1: Global Economic Growth, %



Source: IMF World Economic Outlook, April 2016

The Indian economy during the year has steadily moved along its recovery trajectory. The Central Statistical Organisation (CSO) estimate that India's YOY GDP growth will be 7.6% (Base 2011-12) for FY16. This would place India among the fastest growing economies in the world. India during the year has been one of the key beneficiaries of fall in global crude oil prices. With lower import bill for crude oil, the current account deficit has further shrunk. Also by steadily increasing excise duty on petrol & diesel, the Central Government was able to achieve its fiscal deficit target of 3.9%. The fall in crude prices has been one of the key reasons for inflation during the year to remain under control.

India's renewed foreign policies have improved global political and economic partnerships and with its rejuvenated profile, the country is positioning itself as a strong player in global trade. In terms of trade, India is a strategic partner of Iran, which is one of the largest suppliers of crude oil and its derivatives to India. Similar bilateral agreements with other countries are expected to strengthen Indian export opportunities to other countries.

Looking ahead, the above normal monsoon forecast by the Indian Meteorological Department (IMD) and Government's increased impetus on rural development would further add to the country's growth prospects. Additionally, the Central Government has also initiated a number of projects for industrial growth such as, 'Make in India', building 'Smart Cities', 'Skill India' and 'Digital India' which will further help to boost

India's economic growth momentum.

Water shortage, a megatrend in India and across the world is a key concern for the Indian economy going forward. This brings risks and opportunities to India as well as your Company. Water shortage on short term is expected to cause disruptions in farm and industrial production. But, this also brings opportunities towards innovation of efficient use of water and crop nutrition by the Farming sector and water conservation techniques by the Industrial sector.

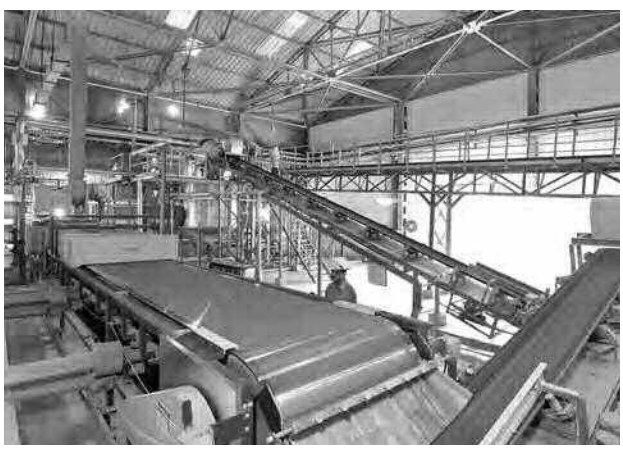
BUSINESS OVERVIEW

AGRI BUSINESS

- ***Industry Review***

Agriculture in India is majorly dependent on climatic conditions, raw material availability and policies. Farming and ancillary activities contribute around 1/6th to India's GDP. It is also the largest source for livelihood in the country. Majority of India has witnessed a second consecutive year of drought, with the monsoon deficit of about 14%. This has led to lower acreage cultivation and has impacted the overall crop yield. Even after such major hurdles the fertiliser sector was able to post growth in production. In order to reduce the cost of manufacturing fertilisers government has focused towards higher utilization of low cost domestic natural gas for fertiliser production. Also domestic gas being a scarce resource government has formulated a priority policy. Accordingly, MoPNG, on 28.10.2010, formulated a policy on pricing and commercial utilization of APM & non-APM gas and as per the policy, the gas is to be allocated on priority basis to Gas based fertiliser plants.

In a recent proposal to reprioritize allocation of natural gas, which if implemented, will rearrange the fertilizer sector from current top priority to number four position. Also, even at number four, only Urea manufacturers would be considered and NP / NPK manufacturers would be excluded. This will be very detrimental for the NPK fertiliser manufacturers. India is currently facing a problem of lower food grain yield as compared to global averages. One of the primary reasons is excess usage of highly subsidised Urea, leading to imbalance in the use of nutrients. The reprioritization would further amplify the issue which will be very negative for the farming industry in the long run.



The Central Government is also cognizant of deteriorating soil health and to address the same has introduced a soil health card scheme. Objective of this scheme is to promote use of Phosphate (P), Potash (K) and micro nutrients in the farms besides use of Urea which is a source of only Nitrogen (N). The Government has already distributed 1.12 crore cards till February, 2016 and has set up a target of distributing 14 crore soil health cards by 2017.

These Schemes will validate your Company's repeated representation for priority gas to NPK production too rather than only to Urea, which has currently led to overuse and soil imbalance with 'N' nutrient.

The Government on a pilot basis has started the direct transfer of subsidy funds to farmers rather than to follow the current method of payment through fertiliser companies. This move is expected to help fertiliser manufacturers to reduce their debt burden of unpaid subsidies and will help to improve their working capital management.

The Indian Meteorological Department has predicted an above normal monsoon for FY17 which will augur well for the farming sector as well as for the agriculture input sector. Supported by the new initiatives, improved Government policies and good monsoon the fertiliser industry is poised to witness a multiplier effect in the coming years.

- ***Company Operational Review***

Your Company is one of the leading manufacturer of fertilisers in Western India and has strong brand equity in the fertiliser segment. Being an established player in the space of speciality and complex fertilisers, the Company's flagship brand 'Mahadhan' enjoys a strong bond with dealers and farmers in its core markets. The Company also has business interests in farming activities and is a leading producer and exporter of fruits and vegetables.

The Company manufactures prilled nitro phosphate fertiliser under the brand name "Mahadhan Mahapower" and trades in a number of NPK and bulk fertilisers under the brand "Mahadhan". It also manufactures speciality nutrients like Bentonite Sulphur (Bensulf) and distributes many other water soluble and organic nutrients.

Its distribution network is spread across many states of India, viz; Maharashtra, Karnataka, Gujarat, Andhra Pradesh, Madhya Pradesh, Tamil Nadu, Punjab and Haryana. Over a period of time, it has been consistently extending its dealer and sub-dealer network which currently stands at 16,800 nos. Besides the Company touches lives of over 4 million farmers.

The operation of the Company in the agri sector had to face challenge of two consecutive droughts in its core operating regions of Maharashtra, Gujarat, Karnataka and Andhra Pradesh, which impacted the performance of the Company.

- ***Bulk Fertilisers***

Based on the request from the farming community and directive of Government of Maharashtra, the Company restarted the

manufacturing of ANP fertiliser during first quarter of FY16 based on RLNG. The plant had remained shut since 15th May, 2014 due to stoppage of Natural Gas (a key raw material) supply pursuant to an arbitrary and discriminatory order of the Ministry of Petroleum, Government of India. During this period, to complete the basket of products required by farmers, the Company continued with trading of fertilisers from overseas as well as domestic producers & suppliers. Your Company has delivered a good growth during the last five years in sale of bulk fertilisers from 3,85,355 MT to 4,94,661 MT, despite facing challenges in the past two years.

- ***Speciality Fertilisers***

The Company continues to maintain its leadership position in Speciality Fertilisers, especially in the product category of Bensulf and water soluble fertilisers. There is a growing awareness amongst farmers with regard to the use of speciality fertilisers and its benefits in the likes of water conservation and crop nutrients management resulting in improved quality and yields. In last 5 years the speciality fertilisers grew from ₹ 140.25 crore to ₹ 211.76 crore.

- ***Brand***

'Mahadhan' received best brand award from India's Most Trusted Brand Awards Council in its class during the current year. Its "Mahadhan" brand is considered a product of quality and tangible improvement to crop yield. Product has a very good brand image especially in Maharashtra, Karnataka, Andhra Pradesh and Gujarat.

- ***Capacity Expansion Projects***

India is a major agrarian country and ranks second worldwide in farm output. It is therefore necessary to increase focus on making Indian farmers more profitable and globally competitive. The balanced use of fertilisers is among the key factors in enhancing per hectare yield. Hence, the demand for NPK based complex and water soluble fertilisers is expected to increase. To leverage this opportunity, the Company has started to expand its reach to newer geographies of Punjab, Uttar Pradesh, Madhya Pradesh, Bihar and West Bengal and is in the process of increasing its complex fertiliser manufacturing capacity to 11,00,000 MTPA at Taloja in Maharashtra. The new granulator plant will have flexibility to use raw materials like Phosphoric acid from multiple sources and would be operational in the fourth quarter of FY17. The expanded manufacturing capacity will also enable the Company to manufacture various new grades of complex fertilisers including various fortified grades.

With continued focus on speciality nutrients, the Company is expanding its Bensulf manufacturing capacity by 32,000 MTPA by setting up a Greenfield plant at Panipat, in Haryana. The plant is expected to commence operation by last quarter of FY17. With this new plant, the Company will make strong inroads into the highly arable states of Punjab, Madhya Pradesh, Uttar Pradesh and Haryana.

- ***Farm Produce***

The Company holds 49% stake in Desai Fruits and Vegetables which is one of India's largest banana exporter. The Company also operates its farm produce business through contract farming and trading in Grapes, Onions, Pomegranates through its Agri Business & Farming Solutions (ABFS) division.

During the year the farm produce division has shown a strong growth. For exports, the Company has enhanced its focus on the Middle East and European markets which have good potential.

- ***Saarrthie Centres***

Under its ABFS division, the Company owns and operates 12 Saarrthie Centers in India. These Centers provide a host of services to the farmers and act as the last mile connectivity between farmers and the Company. These Saarrthie Centers provide nutrient-based solutions in-line with the best farming practices. They provide customised services for soil testing, integrated water and nutrient management, and post-harvest technologies, among others.

- ***Opportunities & Outlook***

The above normal monsoon predicted by the IMD for the year 2016 fits well for the agri industry as well as for the Company. Using RLNG as raw material, your Company has restarted manufacturing of its flagship product "Mahadhan Mahapower".

The Company's expansion into new states and addition of manufacturing capacity to produce multiple grades of NPK will open new avenues for growth during current year and future.

The Company's continued innovations and initiatives in the space of speciality and water soluble fertilisers coincide with megatrend of water shortage and need of balanced fertilisation for the country and are expected to bring positive results to the farming sector and your Company in coming years.

TECHNICAL AMMONIUM NITRATE (TAN)

- ***Industry Overview***

China as the world's largest consumer for many commodities has started to reposition itself from an investment and export driven to a consumption driven economy. The repercussions of this move have impacted the global commodity prices as well as demand. The slowdown in the Chinese economy has drastically affected the global mining companies who have witnessed

a significant fall in demand. Technical Ammonium Nitrate is a preferred blasting chemical for the mining of Coal, Iron ore, metals, etc., as well as for many infra projects due to its low cost. The global slowdown in mining activities had an adverse impact on demand for TAN.

India with the completion of phase I, II and III mining allocations and enhanced operating efficiency of Coal India has witnessed increased mining activities. Coal India in FY16 has achieved a production growth of 8.5% with total production of 536 Million MT. The Central Government has targeted coal production of 1 Billion MT for Coal India and total target of 1.4 billion for the country by 2020. This has led to better demand prospects for TAN in India, with a growth of 14% in FY16 to 0.8 Million MT.

- ***Business Overview***

The Company is India's largest and world's 5th largest TAN manufacturer. The manufacturing is spread across two locations, one at Taloja in Maharashtra and another under a wholly owned subsidiary Smartchem Technologies Limited (STL) at Srikakulam in Andhra Pradesh. The Company is also the only producer of explosive grade low density prilled AN in India. It also manufactures AN Melt, high density AN and low density AN.

Surpassing the industry growth, the Company has witnessed an annual sales growth close to 15% in FY16. In Revenue terms, the Company has posted a strong growth despite increase in imports of Fertiliser Grade Ammonium Nitrate which is used as a cheap substitute of TAN in India. The Company saw an increase of 15% YOY and 75% capacity utilisation for the year at Taloja plant.

- ***Exports***

The Company reported a strong growth of 64% in exports during the year FY16. The growth was largely from Africa and South East Asia mines. The Company continues to enhance its market share in new global mining regions.

- ***Outlook & Opportunities***

Although the global scenario for TAN remains flat, the domestic demand has been growing. The domestic demand for TAN has largely been supported by the increase in coal mining as well as infra activities. The Company with safe and reliable delivery system is well placed to leverage the growing demand. Through consistent quality and improved on-time-delivery systems the Company would continue to hold strong differentiator and market leadership.

- ***Wholly Owned Subsidiary / Joint Ventures***

Platinum Blasting Services Pty. Ltd., a joint venture in Australia and subsidiary of your Company's wholly owned subsidiary STL, successfully completed its 1st year of operation. During the year it bagged 3 blasting services contracts to provide value added blasting to the mining industry in Australia.

INDUSTRIAL CHEMICALS

The global chemical industry is estimated to have reached USD 4.2 trillion in 2015. It is expected to grow at an annual rate of 3 - 4% and reach USD 4.7 trillion by 2018. The Indian chemical industry accounts for close to 3% of the global industry and stands at USD 140 billion. The Indian chemical industry is expected to grow at a CAGR of 8% over the next few years. It holds a share of close to 6% in the GDP and also contributed close to 9% to total exports.

The crude oil prices continued a downward slide in FY16 and currently appear to be stabilising, with major crude producers working towards restricting production to maintain the demand supply gap.

- ***Business Overview***

One of the leading producers and importers of industrial chemicals in India, the Company broadly serves in two segments: solvents and acids. The Company's manufacturing facility is located at Taloja, Maharashtra. It offers a broad range of products such as Iso Propyl Alcohol, various grades of Nitric Acid and liquid Carbon Di-oxide. The Company caters to a number of industries such as pharmaceuticals, aromatics, paints, dyes intermediates, fertilisers and pesticides, etc.

In addition to manufactured products, your Company also trades and supplies various solvents to the Pharmaceuticals industry. The trade volume during the year have been encouraging and have grown by 48% over the previous year.

Iso Propyl Alcohol (IPA)

The IPA market in India is estimated to have reached 1,25,000 MT and is witnessing a steady demand growth. The key drivers of demand are pharmaceuticals, cosmetics, dyes and printing inks. Pharmaceutical is the most important industry which

> *During the year moving with a strong self belief, the Company has attained a new benchmark in terms of Net Sales which was highest ever.*

consumes close to 80% of the total IPA consumed in India.

The Company is India's largest manufacturer and achieved 102% utilisation of its capacity in FY16.

During the year, the IPA prices witnessed a fall largely driven by the fall in the global crude prices. Due to lag in raw material and product price formula for the industry, margins were impacted during the current year.

- ***Outlook***

As per Ministry of External Affairs, the Indian pharmaceutical industry which currently stands at USD 18 billion is expected to grow over 15% per annum between 2015 and 2020. It is expected to outperform the global pharma industry. India is currently the largest supplier of pharmaceuticals to the US and the exports from India are growing at a steady rate, creating incremental demand for IPA.

Company expects to maintain its leadership position in IPA while increasing share of solvents market through its trading activities for the pharmaceuticals industry.

Nitric Acid

The Company is the leading manufacturer of Nitric Acid in India. It manufactures three grades viz. concentrated, diluted and strong nitric acid, which has its application in nitro-aromatics, pharmaceuticals, dyes, steel rolling industry, defense and explosives.

There is also a large amount of captive consumption of nitric acid that the Company produces which is used in manufacturing of Technical Ammonium Nitrate (TAN) and Ammonium Nitro Phosphate (ANP) fertiliser.

During the year, the total sales volume for Nitric Acid saw an increase of 9% YOY and Concentrated Nitric Acid reported highest ever production and sales.

Nitric Acid exports have been growing steadily and grew by 7% over FY15. During the year the Company introduced a special grade Nitric Acid for dairy industry.

- ***Outlook***

The steady growth in nitro-aromatic industry in India augurs well for the Company. Many large manufacturers have proposed capacity expansion which will further lead to demand growth for the Company.

Liquid Carbon Dioxide (CO_2)

The Company manufactures food grade CO_2 which forms a key ingredient for soft drink as well as dry ice. The Company re-entered into the CO_2 market in the current financial year by commencing production and has regained a major part of its lost market share.

- ***Outlook***

The Company is very well positioned in terms of location as well as cost structure and is a preferred supplier for CO_2 for the beverage industry in Maharashtra.

Methanol

The Company has a manufacturing capacity of 1,00,000 MT of Methanol. Due to non-availability of competitively priced raw material and unfavourable market conditions, the capacity remained unutilised during the year.

- ***Outlook***

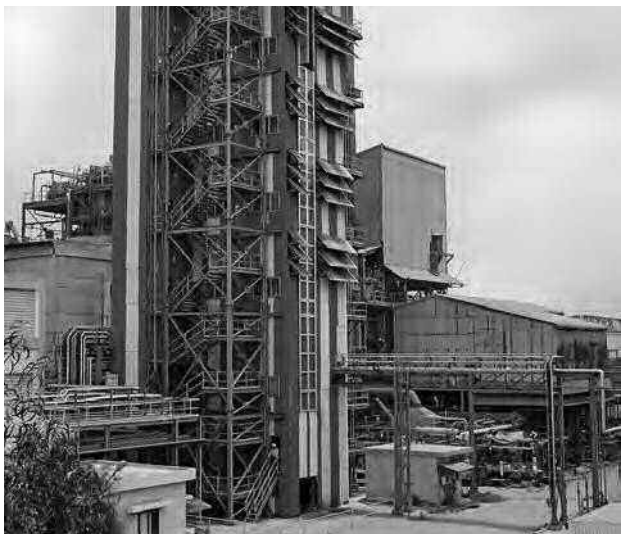
The Company continues to maintain its strategy of commencing production at the opportune time when market conditions and raw material pricing are favourable.

Raw Material

The major raw materials for the Company's manufacturing unit at Taloja are Natural Gas, Ammonia, Phosphoric Acid and Propylene while the manufacturing facility at Srikakulam operates on bought out Ammonia.

- ***Natural Gas***

The Company had filed a case in Hon'ble High Court of Delhi against the unfair, arbitrary and abrupt stoppage of domestic Natural Gas to the Company under a Government order. The Hon'ble High Court has given a verdict in favour of the Company and directed the Government to restore supply of Natural Gas. Pursuant to this, Company got offer to resume gas supply from GAIL at revised commercial terms, which were not in conformity



with the court judgement and a petition has been filed by the Company seeking relief. The Company has once again challenged the arbitrary revision in Commercial terms arguing it to be non-compliance of the directive of the Hon'ble High Court.

Post drop in the global LNG prices, Company has started to source spot RLNG and commenced production at Taloja Plant.

- ***Ammonia***

The global Ammonia prices in tandem with crude prices has also witnessed a drop and your Company expects price to remain at around the present level. Your Company purchases significant volume of Ammonia from the merchant market and the current low ammonia prices are favorable for the Company. The Company expects no shortage of availability.

- ***Phosphoric Acid***

Phosphoric Acid is a key raw material for manufacturing fertilisers. Next year Phosphoric Acid is expected to be at a lower price than the current year. The major contributing factors for this include supply side pressure from additional capacity, a fall in Rock Phosphate prices and the fall in major commodity prices globally. New NPK plant at Taloja is designed to use multiple sources of Phosphoric Acid to reduce its dependability on a single source.

- ***Propylene***

During the year Propylene prices have remained volatile. In spite of decline in Oil prices, Propylene prices did not see proportionate reduction due to demand supply imbalance in the country. Going forward propylene prices are expected to stabilize around current price range. The Company expects to source all its needs of Propylene from domestic sources.

VALUE ADDED REAL ESTATE

Your Company's Value Added Real Estate business - currently represented by the unique and pioneering destination, Ishanya Mall in Pune - improved its year-on-year performance in terms of occupancy income and space signups. During the year, Ishanya Mall won the award of being 'Best home shopping mall of India 2015-16' by the Home magazine and its flagship store Home Sukh was recognised as 'Most innovative retailer of the Year 2015-16' at the India Retail Congress, Delhi.

Food and Beverage (F & B) and entertainment will be key growth enablers in terms of increasing footfalls and revenues for this business. Having nearly 30% of the retail spaces earmarked for F & B and entertainment, your Company has made significant inroads in the direction of offering large area for Home & Interiors as well as F & B. With 15,000 sq. ft. already operational, another 15,000 sq. ft. of multiple cuisine restaurants and banquets are expected to open during the first quarter of the next fiscal. In the next year, your Company is expected to have more sign-ups as also commercial operations of the retailers.

FINANCIAL OVERVIEW

During the year moving with a strong self belief, the Company has attained a new benchmark in terms of Net Sales which was

highest ever. The total Net Sales for the year FY16 stood at ₹4,258.72 crore, up by 14.74% from ₹ 3,711.76 crore in FY15. The growth has largely been due to increased production as well as trade in the fertiliser division. The Net Sales for the fertiliser segment stood at ₹ 1,651.22 crore as against ₹ 1,041.07 crore in the previous year, witnessing a growth of 58.60%. However, due to abrupt stoppage of natural gas supply, production of ANP fertiliser was significantly hampered; while this year we have commenced production at our ANP fertiliser manufacturing plant. The Chemicals segment posted Net Sales of ₹ 2,766.59 crore as against ₹ 2,697.75 crore in FY15. If it would not have been for water shortage at Taloja plant during the last quarter, which adversely impacted Chemicals production, the growth would have been much better given the demand for the segment.

The EBITDA during the year grew by 23% to ₹ 413.24 crore from ₹ 335.99 crore in FY15. The EBIDTA margin witnessed a growth of 65bps to 9.70% in FY16 as against 9.05% in FY15. The total EBIT for the year stood at ₹ 295.88 crore, up by 35.30% from ₹ 218.68 crore in FY15. The EBIT margin has increased by 105bps to 6.99% in FY16 from 5.94% in FY15. The EBIT growth has been supported by both Chemicals and Fertilisers segments. However, the expansion in EBIT margin has been largely due to better operating efficiency in the Chemicals segment.

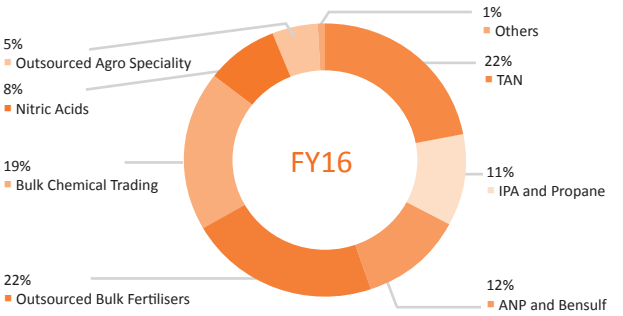
The production process improvements that the Company carries out assiduously at its manufacturing unit has resulted in better efficiency. Better management of raw material consumed and optimum utilization levels has led to higher operating margins.

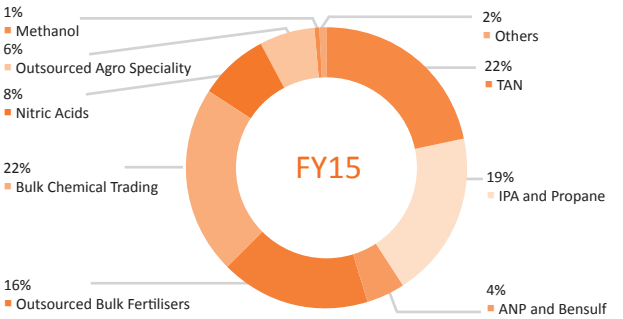
The Net Profit after Tax during the year has witnessed a growth of 54.60% from ₹ 78.35 crore in FY15 to ₹ 121.13 crore in FY16. The Net Profit margin has increased to 2.86% in FY16 from 2.13% in FY15. The earnings per share stood at ₹ 13.73 in FY16 compared to ₹ 8.8 in FY15.

The total shareholders' fund has increased to ₹ 1,600.17 crore as at 31st March, 2016 as against ₹ 1,524.86 crore as at 31st March, 2015. The increase has been due to the profits of the Company for the year net of taxes and dividends.

The total borrowings during the year increased to ₹ 1,948.21 crore from ₹ 1,384.06 crore. The increase was largely due to increase in working capital requirement with higher production at Taloja Plant as well as delayed release of subsidy from government.

Revenue Mix For Products / Sector





Production & Sales in Volume (in MT)

	Production		Sales	
Products	**FY16**	**FY15**	**FY16**	**FY15**
Ammonia	1,07,535	50,143	NA	NA
Methanol	-	8,578	-	9,419
Iso Propyl Alcohol	71,177	74,983	71,296	75,923
Propane	13,858	13,614	13,848	13,488
Dilute Nitric Acid	5,13,185	4,28,662	57,963	61,314
Concentrated Nitric Acid	1,05,064	87,783	92,946	75,956
Technical Ammonium Nitrate	3,38,483	3,03,721	3,49,290	2,98,995
Bulk Fertilisers Traded	NA	NA	3,36,684	2,97,203
Nitro Phosphate Fertiliser	1,59,573	38,989	1,57,977	43,160
Bentonite Sulphur	14,543	18,525	13,332	20,074
Liquid Carbon Dioxide	33,452	11,730	33,557	11,733
Water Soluble Fertiliser	2,109	-	829	-
Windmill Power ('000 KWH)	15,331	16,126	14,724	15,478

HUMAN RESOURCES

The Company believes that the key to excellent business results is an excellent talent pool. More so in a situation where the business is poised for growth, the availability of talent from within the organisation is critical to ensure continued success of the business. People Management Practices in the Company continually strive towards attracting, retaining, and developing the best talent required for the business to grow.

The Talent Review Process, which was introduced last year, has started bearing fruits by helping the Company take stock of the talent availability for achieving its business goals. Some of those identified through the process have already taken leadership positions that they were marked out for. "Propellers" – as the Stretch Projects are referred to in the organisation – provide an excellent avenue for employees to develop new competencies while working on organisational critical projects.

Structured feedback mechanisms – 360 degree feedback and stakeholder feedback – are in place to provide developmental feedback to all leaders. The Company is also working at developing competency maps for more focused technical evaluation of both the existing and the prospective employees which will ultimately be linked to the Performance Management System.

As the Company moves into the new financial year, it has plans to further increase its thrust on areas like Technical Competency Development, Employee Engagement Enhancement and Leadership Development. These initiatives will help in building technical, managerial and leadership capabilities and will also help in building a robust leadership pipeline.

Industrial relations remained cordial during the year under review.

The total employee strength as of 31st March 2016 stood at 1501, as against 1,486 employees as on 31st March 2015.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company's resilience and focus is driven to a large extent by its strong internal control systems. Your Company has in place well formulated internal controls for its operational processes across the various business segments. Its internal controls help your Company ensure efficient operations, in compliance with internal policies, applicable laws and regulations, as well as the protection of resources and assets. Accurate reporting of financial transactions is also integral to the internal control systems of your Company.

A strong internal audit system is also in place and is conducted by two independent firms of Chartered Accountants, encompassing various operations on a continuous basis. The internal audit plans, reports, internal and external audit observations, assessments and recommendations requiring attention are reviewed by the Management, as also by the Audit Committee of your Company.

The COSO system further helps your Company strengthen its internal control, while the SAP- based ERP system enables faster and informed decision-making and better management controls.

Forward-looking Statements:

Statements made in this report, particularly those which relate to Management Discussion and Analysis, describing your Company's objectives, projections, estimates and expectations, may constitute "forward- looking statements" within the meaning of applicable laws and regulations. Actual results might differ from those either expressed or implied.

Corporate Social Responsibility

Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL) has been relentlessly working for the communities around its facilities through concerted Corporate Social Responsibility (CSR) initiatives for over three decades. Our pillar of strength lies in the Sustainability and how we inculcate and shoulder the responsibility of empowering the communities.

Sustainability means managing our business responsibly with continuous efforts to grow, and ensuring all the social, economic and environmental factors be included in the decision making process to ensure long-term growth in the business. We have a strong belief to inculcate and encourage all our customers, investors and employees to foster an ethical, responsible and sustainable corporate philosophy. Our goal is to be one of the world's leading brands in corporate sustainability.

By integrating sustainable decisions with traditional analysis in order to gain competitive advantage over the peers in the long term, your Company through Ishanya Foundation ensured that several initiatives were carried out to the communities in and around the area of our facilities.

Ishanya Foundation

Ishanya Foundation (IsFon) continued their sustainable initiatives this year augmenting the 3 main areas of focus:

- Women Empowerment
- Health
- Education

As recognised by the Foundation, the need of the hour was to lay emphasis in engaging the beneficiaries to ensure employability. These initiatives were carried out both in the urban and rural areas of Pune and Taloja in Raigad District.

The amount contributed by your Company towards the CSR initiatives for the financial year was ₹ 1.49 Cr.

Those who benefitted over the year, through this social investment by participating in the inclusive initiatives resulting in sustained efforts were a total of **6,868 beneficiaries.**

Urban Areas

Vocational Skill Development Program With Health & Education

Job Oriented Vocational Training Programme

In the urban areas, the main focus was ensuring sustainability through employment and job placements.

The Foundation continued to organise skill based and service based vocational training programs for training aspirants in

- Beautician, Art of Mehendi & spoken English courses,
- Diploma in Information Technology, typing, advanced excel & spoken English in collaboration with ACA at IsFon
- Computer Hardware & Networking course.
- Pre-teachers training course
- PB BSc Nursing in collaboration with Symbiosis College of Nursing
- Training for Architectural draughtsman and construction supervisor in collaboration with VKIT.

Beneficiaries of these various initiatives are placed with some of the leading organisations like renowned parlours-HouseJoy, Parlorwale.com, Florence, Face to Face, 7th Heaven, Glamn and Glitz, My Glamn etc. and IT Students at Reliance 4G, Fortune Infotech Euphoria Technologies, Bajaj Finserv, Art Work Media, Very Consultants, Bajaj Allianz and Pre-teachers students in Camp Education Society, Kidzee, Giggle, Tussion Day Care, Gulmohar Pre School. Construction supervisor and architectural draughtsman have been placed at Kumar Properties and Suvarna Consultants to name a few.

Honing skills through practical sessions

Health Initiatives

The Pathological Lab launched at the Foundation through a tie-up with Shree Hospital, Pune serves as a convenient and resourceful collection center for patients to avail diagnostic services at a very minimal cost.

Ishanya Foundation in collaboration with Aundh Govt. Hospital, Pune conducted General Health Check-up Camps in low income group areas of Pune city screening patients for Gynaecology, General Physician, Ophthalmology, ENT, Dental, Pediatrician ailments. The patients were prescribed and given medicines free of cost by the Doctors.

Patients been attended at Health Camp

Mahila Melawa:

An annual initiative that gathers all beneficiaries associated with IsFon under the various projects providing aspirants to share their experiences on completion of their courses at IsFon. Opportunities are also given to aspirants to share their success stories of placements and the benefits of employability, which in turn motivates and inspires the other beneficiaries.

An aspirant sharing her experience at Mahila Mela post successful completion and placement as a Beautician

Livelihood Enhancement Through Enterpreneurship Development (LEED)

Income Generation Programme

The Income Generation Programme (IGP), is a sustainable and successful program of the Foundation for the last several years. Under this programme, the Foundation conducts training and supports over 100 financially challenged women in surrounding slum communities of Pune, of which the products manufactured includes exquisite and attractive hand-made products such as table mat sets, batwas, gift bags, envelopes and many more.

The inmates at Yerwada Prison (Women's Cell) have also been trained by Ishanya Foundation and took on the completion of an order of stitching cloth bags.

These products are sold at leading exhibitions, stalls and corporates namely MasterCard, L&T Finance, Mercedes Benz, Barclays, HSBC among others in Pune and Mumbai, which further enhanced and generated awareness of this women empowerment initiative. Several personal orders were received through the exhibitions for special occasions and as gifting solutions including overseas orders, thus furthering the awareness of this initiative.

Handmade products - Fancy Handbag & Gift Tokri

Muskaan Project:

This project could be labeled as one of the most innovative and successful initiative of the Foundation which provides an additional source of income to financially challenged women (Muskaan Parees). The Foundation receives pre-owned garments and accessories through the Muskaan Ambassadors in the city. These products are checked for quality and then sold by the Muskaan Parees, thus enabling them to earn an additional source of income. Stalls set up at the community and at leading hospitals were successful in generating a huge turnout in terms of sale of garments and generation of income.

Muskaan Stall at the Ruby Hall Clinic

Yellow Ribbon NGO & Artisan Fair (YRNF)

The 8th edition of Ishanya Foundation's annual pre-Diwali 'Yellow Ribbon NGO Fair' (YRNF), with the theme "Make in India" which was held from 30th October 2015 to 2nd November, 2015 saw inclusion of several Artisans at the Fair. There were new entrants of Artisans from all across India like Benares, Bhuj, Orissa, Latur to name a few.

Artisans displaying their products at YRNF - 2015

The YRNF was inaugurated by Chief Guest Ms. Shaina NC, Fashion Designer, Social activist, Spokesperson & Treasurer BJP Maharashtra. This event saw participation from 119 NGOs, Self Help Groups (SHG) and artisans, giving them an excellent platform to develop their marketing and packaging skills. Gift Hampers worth ₹ 2,500 each comprising items from various NGO stalls received an overwhelming response. The four-day fair received a footfall of about 4,000 resulting in over ₹ 30 lacs sales.

YRNF - 2015 Award Ceremony

Rural Areas:

Dairy Development Project:

One of the prime objectives of this initiative was to empower the women from rural areas of Taloja, Raigad District. The Dairy Development Project initiative was to extend support to the wives of the farmers, who receive the cow from the Foundation. The support spanned across all fields of dairy development such as fodder management, health care and hygiene with vaccinations, livestock rearing, doorstep services of artificial insemination and pregnancy diagnosis creating an alternative source of income generation of ₹ 6,000 - ₹ 8,000 p.m. through the sale of dairy product and by-products.

Project Highlights:

- Total milk produced: 3,25,113 lit.
- Milk consumed by the farmers: 44,675 lit.
- Milk consumed by the calves: 52,585 lit.
- Quantity of milk sold: 2,28,093 lit.
- Additional income through sale of milk: ₹ 72,62,300
- Cow dung produced: 67.56 MT which was used to improve soil health

Mrs. Janabai & Mr. Hiraman Usatkar from Dundre village benefitted by the project.

Marginalised Farmers (Wadi Project):

The Foundation aims to envisage long term impact in identifying sustainable initiatives in line with the Mission. Your Company has continued with the support to the ongoing Wadi Project by extending a helping hand to marginalised farmers. Through this continuous endeavor over the last three years of implementation, in Panvel district of Raigad, Maharashtra several families across 14 villages have been successful beneficiaries of this Wadi Model of plantation of mango, bamboo and vegetables. The project support is for a duration of 5 years, which will help the farmers to be self-reliant from thereon.

To further improve the farming techniques hand-on training programmes and exposure on vegetable linkages, crop management were given through Kisan Melas and village meetings with demonstration. Additional resourceful inputs apart from extended support for soil conservation, fertilisers, farm tools, water-resource developments, water conveyance and seeds were also provided by the Foundation.

Mrs. Parul Mehta, Trustee - IsFon, distributing mango saplings to the tribals.

Health Initiatives:

General health camps in association with MGM Hospital, Panvel received an overwhelming response from patients of the lesser strata of the society seeking health care and medical support. Free medicines were distributed to the patients.

Eye camps were set up in collaboration with Laxmi Charitable Trust which resulted in detection of cataract. Corrective

Eye testing being done at the camp

measures such as cataract operations were carried out and spectacles were distributed to the patients. Additionally, a seasonal kitchen garden to families was demonstrated and set up in their surroundings providing nutritional benefits through healthy eating habits.

OTHER INITIATIVES:

The other initiatives were focused on empowerment of women and children in the rural areas of operation focusing on education and skill enhancement like Tailoring classes, Sponsorships to Students of Higher Education, Optometry among others.

SUCCESS STORIES:

VIDYA SAWANT aged 30 years, residing at Yerwada slum enrolled in the Beautician Course at IsFon and was identified as a skillful candidate. Vidya was encouraged to specialise in the Massage Speciality Course and was then selected by House Joy, Pune. Encouraged and aspiring to learn more, has kept her self-motivated as she earns a salary of ₹20,000/- p.m. She now aspires to support IsFon to make a career at Cruz training.

LAXMAN CHAUDHARI resident of Nitlas village in Raigad district enrolled in the Wadi project in 2015 for the vegetable cultivation. With assistance from Ishanya Foundation for the vegetable seed (sponge gourd) and support extended for a diesel engine of ₹ 6,000/-, he has successfully sold 1,550 kg of vegetables earning a total income of ₹ 31,000/- for the year.

MADHAVI SHETTY aged 18 years, residing at Lohegaon lost her father recently. Her mother sells idlis and earns an income of hardly ₹ 200/- per day. Madhavi was counselled to join the DIT course and she is now employed at Bajaj Alliance with a salary of ₹ 9,000/- p.m.

SHANTABAI & DHYNESHWAR BHOIR of Ova village in Raigad district benefitted through the 2 cows, additional training exposures and a medicine kit. Sustainable income generation of ₹ 880/- per day through a yield of an average 22 litres of milk per day which has brought about a positive impact to their lives.

Deepak Foundation:

Deepak Foundation has a pan-India presence covering many states which includes Maharashtra, Telengana, Madhya Pradesh, Delhi and Gujarat.

The Foundation's services has benefitted over 3,00,000 people located in urban slums, rural and tribal areas. The Foundation started many social development initiatives in the year 2015-16. The prime focus has been in the areas of healthcare delivery, skills building, livelihood promotion and pre-school education.

Healthcare Delivery

The Foundation facilitated the launch of "E-Raktadaan" by Hon. Chief Minister, Smt. Anandiben Patel during Krishi Mahotsav at Narmada district, Gujarat. The 33rd Foundation day of Deepak Medical Foundation was celebrated in Nandesari. The Foundation inaugurated 2 Mobile Health units in tribal villages of Roha block in Raigad district, Maharashtra and Dahej of Bharuch district, Gujarat. It organised eye-screening camps for children and anaemia screening camps for adolescents in Nandesari of Vadodara district, Gujarat. As a initiative to promote gender equality it conducted a sensitisation workshop on "Gender Based Violence" for the health workforces at community level and tertiary care hospital.

Livelihood Opportunities

In order to promote livelihood opportunities the Foundation initiated the registration of Deepjyot Mahila Credit Co-operative Society under District Registrar Office, Vadodara, Gujarat. As an initiative to resolve water shortage the Foundation established water conservation structures in tribal villages of Roha block in Raigad district, Maharashtra under CSR partnership.

Skills Building

As a part of social responsibility to make youth employable through skill building the Foundation trained 104 youth from rural and tribal areas of Gujarat on health courses of Home Health and Nursing Aide recognised under Healthcare Sector Skill Council (HSSC) and National Skill Development Corporation (NSDC).

Pre-School Education

As an initiative to provide elementary education to the children who are deprived to the basic education the Foundation entered into partnership with Department of Women and Child Development, Government of Gujarat to manage and monitor 65 Anganwadi centers in Nandesari of Vadodara district, Gujarat. It organised Fun Fair event for Anganwadi children with an aim of generating awareness on childhood development and malnutrition. It started a Mobile Library for tribal children from Roha block in Raigad district, Maharashtra. It organised a health camp in residential tribal schools namely, 'Ashram Shalas' in Roha block of Raigad district, Maharashtra.

Corporate Governance

The Company firmly believes that business is built on ethical values and principles of transparency. Good Governance is an essential ingredient of any business, a way of life rather than a mere legal compulsion. The Company's philosophy of good Corporate Governance aims at establishing a system which will assist the management to fulfill its corporate objectives as well as to serve the best interest of the stakeholders at large viz. Shareholders, Customers, Employees, Society, Suppliers, Lenders etc.

BOARD OF DIRECTORS

Composition and Category of Directors as on 31st March, 2016

Sr. No.	Category	Name of Director	
I.	Promoter and Executive Director	Shri S. C. Mehta, Chairman & Managing Director	
	Promoter and Non-Executive Director	Smt. Parul S. Mehta, Director	
	Non-Executive & Non-Independent Director	Shri R. A. Shah	
		Shri Partha Bhattacharyya*	
II.	Independent Directors	Shri D. Basu	Shri N. C. Singhal
		Shri U. P. Jhaveri	Shri S. R. Wadhwa
		Dr. S. Rama Iyer	Shri Anil Sachdev
		Shri Pranay Vakil	

Attendance of Directors at the Meetings of Board of Directors held during the Financial Year 2015-16 and the Annual General Meeting (AGM) held on 5th August, 2015 are as follows:

Six Board Meetings were held during the Financial Year 2015-16. These meetings were held on 21st May, 2015, 5th August, 2015, 5th November 2015, 21st January, 2016,11th March, 2016 and 29th March, 2016.

* Resigned as an Executive Director of the Company and continued to act as a Non Executive, Non Independent Director w.e.f. 22nd January, 2016.

The record of attendance of Directors and Directorships of Public Limited Companies and Membership / Chairmanship of Board Committees:

Name of Director	No. of Board Meetings attended	Attendance at the AGM	No. of Directorships of other Companies$	No. of Membership of other Board Committees#	No. of Chairmanship of other Board Committees#
	Meetings during Financial Year 2015-16		As on 31st March, 2016		
Shri S. C. Mehta	6	Present	7	–	–
Shri Partha Bhattacharyya	5	Present	3	–	1
Shri D. Basu	3	Present	2	1	1
Shri N. C. Singhal	5	Present	8	2	2
Shri U. P. Jhaveri	6	Present	3	1	–
Shri S. R. Wadhwa	6	Present	2	–	1
Smt. Parul S. Mehta	4	Present	2	–	–
Dr. S. Rama Iyer	5	Present	2	–	–
Shri Anil Sachdev	4	Present	3	–	–
Shri Pranay Vakil	6	Present	6	2	–
Shri R. A. Shah	5	Absent	12	5	3

$ - Excludes alternate directorships / directorships of foreign companies and companies under Section 8 of the Companies Act, 2013.

- Includes only Audit Committee and Stakeholders' Relationship Committee.

COMMITTEES OF BOARD OF DIRECTORS

AUDIT COMMITTEE

Brief description of Terms of Reference:

The terms of reference of Audit Committee is in accordance with to Regulation 18 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015 and Section 177 of Companies Act, 2013 which, *inter alia,* includes to oversee the Company's financial reporting process, to review Directors' Responsibility Statement, changes, if any, in accounting policies and reasons

for the same, qualifications in the draft audit report, performance & independence of statutory and internal auditors, reports of the Company's internal auditors, cost auditor and financial statements audited by the statutory auditors and also to review the information relating to Management Discussion and Analysis of financial statements and results of operations, statement of significant related party transactions, and internal control systems.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 24th January, 2000.
- Composition, Names of Members and record of attendance during the year : Consists of Independent Directors as under:

During the year, the Committee Meetings were held on 20th May 2015, 4th August, 2015, 4th November, 2015, 16th December, 2016, 20th January 2016, 5th February, 2016 and 29th March, 2016. The attendance of the Members was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Shri N. C. Singhal, Chairman	7	5
Shri S. R. Wadhwa	7	7
Dr. S. Rama Iyer	7	7

Besides the above, Chairman and Managing Director, Executive Director, CFO are permanent invitees to Audit Committee Meeting. The represetatives of Statutary Auditor, Internal Auditor and Cost Auditor attend such meeting of the Audit Committee where matters concerning them are discussed at length.

All members of Audit Committee are financially literate and have adequate accounting or related financial management expertise.

The Chairman of the Audit Committee was present at the Annual General Meeting held on 5th August, 2015.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Brief description of Terms of Reference:

To specifically look into redressal of complaints related to transfer of shares, non-receipt of dividends, non-receipt of annual report, etc. received from shareholders / investors and improve the efficiency in investors' service, wherever possible.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 22nd January, 2001.
- Composition, Names of Members and record of attendance during the year : Consists of Directors as under:

During the year, the Committee Meeting was held on 5th August, 2015. The attendance of the Members was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Shri D. Basu, Chairman	1	1
Shri S. C. Mehta	1	-
Shri S. R. Wadhwa	1	1
Shri Partha Bhattacharyya*	1	1

*Shri Partha Bhattacharyya resigned as a member of the Committee w.e.f. 22nd January, 2016.

Details of complaints received during the year 2015-16:

Nature of complaints	No. of complaints received	No. of complaints not solved to the satisfaction of shareholders
Transfer of shares	0	Nil
Non-receipt of annual report	1	Nil
Non-receipt of dividend warrants	2	Nil
Issue of duplicate share certificate	2	Nil
Others (related to dematerialisation, non-receipt of shares allotted upon conversion, etc.)	0	Nil

NOMINATION AND REMUNERATION COMMITTEE

Brief description of Terms of Reference:

The terms of reference of Nomination and Remuneration Committee is in accordance with Section 178 of Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015 which, *inter alia,* includes to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with

the criteria laid down, recommend to the Board of Directors their appointment / removal and shall carry out evaluation of every director's performance and to formulate the criteria for determining qualifications, positive attributes and independence of directors and recommend to the Board of Directors policy relating to the remuneration for the directors, key managerial personnel and other senior employees.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 31st July ,2014.
- Composition, Names of Members and record of attendance during the year : Consists of Independent Directors as under:

During the year, the Committee Meetings were held on 20th May, 2015, 4th August, 2015, 5th November, 2015 and 21st January, 2016. The attendance of the Members was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Shri D. Basu, Chairman	4	3
Shri Pranay Vakil	4	3
Shri Anil Sachdev	4	4
Shri S. C. Mehta	4	4

Nomination and Remuneration Policy is available on the website of the Company www.dfpcl.com.

PROJECT COMMITTEE

Brief description of Terms of Reference:

The terms of reference of Project Committee, *inter alia,* includes, to evaluate periodically projects proposed to be taken up by the Company, to review ongoing projects and recommend to the Board of Directors for consideration and approval of new projects.

- Constitution : Constituted by the Board of Directors of the Company with effect from 15th July, 2003.
- Composition, Names of Members and record of attendance during the year : Consists of Directors as under:

During the year, the Committee Meetings were held on 20th January, 2016 and 28th March, 2016. The attendance of the Members was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Shri D. Basu, Chairman	2	1
Shri N. C. Singhal	2	2
Dr. S. Rama Iyer	2	2
Shri S. C. Mehta	2	2
Shri Partha Bhattacharyya*	2	1

*Shri Partha Bhattacharyya resigned as a member of the Committee w.e.f. 22nd January, 2016.

MANUFACTURING OPERATIONS REVIEW COMMITTEE

Brief description of Terms of Reference:

The terms of reference of Manufacturing Operations Review Committee, *inter alia,* includes, to review factory operations, safety, hazard and pollution / emissions periodically, to suggest initiatives for improving efficiencies and standards, to review internal audit reports pertaining to factory operations and to suggest corrective actions to take care of observations of the Internal Auditors.

- Constitution : Constituted by the Board of Directors of the Company with effect from 10th April, 2009.
- Composition, Names of Members and record of attendance during the year : Consists of Directors as under:

During the year, the Committee Meeting was held on 29th March, 2016. The attendance of the Members was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Dr. S. Rama Iyer, Chairman	1	1
Shri U. P. Jhaveri	1	1
Shri S. C. Mehta	1	1
Shri Partha Bhattacharyya	1	1

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Brief description of Terms of Reference:

The terms of reference of Corporate Social Responsibility Committee (CSR), *inter alia,* includes, to formulate and recommend to the Board of Directors, a CSR Policy which shall indicate the activities to be undertaken by the Company as per the provisions of the Companies Act, 2013, approve & recommend to the Board of Directors the CSR budget for the activities referred to in CSR Policy of the Company and monitor the mechanism for CSR projects or programmes or activities undertaken by the Company and Monitor the CSR Policy of the Company from time to time.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 21st March, 2014.
- Composition, Names of Members and record of attendance during the year : Consists of Directors as under:

During the year, the Committee Meetings were held on 5th August, 2015, 21st January, 2016 and 29th March, 2016. The attendance of the Members was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Shri Pranay Vakil, Chairman	3	3
Smt. Parul Mehta	3	3
Shri Partha Bhattacharyya*	3	2
Shri S R Wadhwa**	3	1

***** Shri Partha Bhattacharyya resigned as a member of the Committee w.e.f. 22nd January, 2016.

******Shri S.R. Wadhwa was inducted as a member of the Committee w.e.f. 21st January, 2016.

CSR Policy is available on the website of the Company www.dfpcl.com.

RISK MANAGEMENT COMMITTEE

Brief description of Terms of Reference:

The terms of reference of Risk Management Committee, *inter alia,* includes, to assess risks in the operations of business units of the Company, to mitigate and minimize risks assessed in the operations of business units, periodic monitoring of risks in the operations of business units and other matters delegated to the Committee by Board of Directors of the Company from time to time.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 4th November, 2014.
- Composition, Names of Members and record of attendance during the year : Consists of Members as under:

During the year, the Committee Meeting was held on 21st January, 2016 and adjourned to 5th February, 2016. The attendance of the Members was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Shri S. R. Wadhwa, Chairman	1	1
Shri Partha Bhattacharyya	1	1
Shri Somnath Patil*	1	1
Shri Vipin Agarwal**	1	1

***** Shri Somnath Patil resigned as a member of the Committee w.e.f. 22nd January, 2016.

****** Shri Vipin Agarwal was inducted as a member of the Committee w.e.f. 22nd January, 2016.

Shri Mandar Velankar, Asst. Company Secretary acts as Secretary to all the Committees of the Board of Directors.

SHARE AND DEBENTURE TRANSFER COMMITTEE

The composition of the Share and Debenture Transfer Committee consits of **a.** Shri. S. C. Mehta **b.** Smt. Parul S. Mehta **c.** Shri. Vipin Agarwal **d.** Shri. Pranav Thakkar. The Committee has been constituted for considering the proposal of transfer, transmission, transposition of shares, issue of split, consolidated share certificates, remat of shares etc. During the year under review 51 meetings of Share and Debenture Transfer Committee were held.

PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, the Board has carried out the annual performance evaluation of the Chairman, Directors, Board as well as its Committees for FY 2015-16.

The evaluation framework for assessing the performance of Chairman, Directors, Board as well as its Committees comprises, *inter-alia*, of the following criteria:

i. Directors bring an independent judgment on the Board's discussions utilizing his knowledge and experience especially on issues related to strategy, operational performance and risk management.

ii. Directors demonstrate awareness and concerns about norms relating to Corporate Governance, disclosure and legal compliances.

iii. Directors contribute new ideas/insights on business issues raised by Management.

iv. Directors anticipate and facilitate deliberations on new issues that Management and the Board should consider.

v. The Board / Committee meetings are conducted in a manner which facilitates open discussions and robust debate on all key items of the agenda.

vi. The Board receives adequate and timely information to enable discussions/ decision making during Board meetings.

vii. The Board addresses interests of all stakeholders of the Company.

viii. The Committee is delivering on the defined objectives.

ix. The Committee has the right composition to deliver its objectives.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met on 18th April, 2016, *inter alia*, to discuss:

1. The performance of Non-Independent Directors and the Board as a whole.
2. The performance of Executive Directors.
3. The quality, quantity and timeliness of flow of information between the Company Management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

All the Independent Directors were present at the Meeting except Shri. D. Basu.

FAMILIARISATION PROGRAMME FOR DIRECTORS

The Directors (Independent and Non-Independent) interact with Senior Management Personnel and are provided with all the information sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a constituent.

The role, rights, duties and responsibilities of Independent Directors have been incorporated in the Letters of Appointment issued to them. The amendments / updates in statutory provisions are informed from time to time.

The information with respect to the nature of industry in which the Company operates and business model of the Company, etc. is made known through various presentations on operational performance, strategy, budgets & business forecasts, etc. to the Board of Directors.

The above initiatives help the Directors to understand the Company, its business and the regulatory framework in which the Company operates to effectively fulfill their role as Directors of the Company.

The familiarization programme for directors has been posted on the website of the Company www.dfpcl.com.

BOARD DIVERSITY

The Board of Directors (Board) ensures that a transparent Board nomination process is in place. The Company has various business sectors which serve different customer segments. Having members of the Board from different fields is therefore important for sustained commercial success of the Company. While selecting the Board members, the Company shall endeavour to include and make good use of diversity in the skills, qualification, age and professional and industry experience, irrespective of race, caste, creed, religion, disability or gender.

Details of remuneration paid to Executive Directors for Financial Year 2015-16: (₹ in Lacs)

Name of Director	Designation	Salary and Allowances	Perks	Commission	Total
Shri S. C. Mehta	Chairman & Managing Director	216.41	51.76	604.39*	872.55
Shri Partha Bhattacharyya	Executive Director	275.94	7.33	25.00#	308.27

* Commission calculated on profit of Financial Year 2014-15 but paid in Financial Year 2015-16.
# Commission, as per terms of appointment, relating to Financial Year 2014-15 but paid in Financial Year 2015-16.
The above figures do not include Medical Reimbursements, Contribution to Superannuation, Contribution to Provident Fund, Gratuity and Premium paid for Group Health Insurance.

Details of Sitting Fees paid during the Financial Year 2015-16 and Commission* paid for Financial Year 2014-15 to Non-Executive Directors:

Sitting Fees: The Company pays sitting fees to Non-Executive Directors @ ₹ 10,000 per Director for attending each Meeting of the Board and Committee of the Board. However w.e.f. 5th November, 2015 the sitting fees were revised to ₹ 50,000 for attending per Board Meeting, ₹ 40,000 for attending per Audit Committee Meeting and ₹ 30,000 per director for attending all other Committee Meetings.

Commission: Shri D. Basu: ₹ 10,00,000; Shri N. C. Singhal: ₹ 11,00,000; Shri U. P. Jhaveri: ₹ 8,00,000; Shri S. R. Wadhwa: ₹ 10,00,000; Dr. S. Rama Iyer: ₹ 11,50,000; Smt. Parul S. Mehta: ₹ 4,50,000; Shri Anil Sachdev: ₹ 8,00,000; Shri Pranay Vakil: ₹ 8,00,000 and Shri R. A. Shah: ₹ 6,00,000.

(* Commission for the year 2015-16 is yet to be paid)

Shares held by Non-Executive Directors:

Non – Executive Director	Holding
Shri R. A. Shah	37,800 Equity Shares (0.04%)
Shri U. P. Jhaveri	500 Equity Shares (0.00%)
Shri S. R. Wadhwa	1,000 Equity Shares (0.001%)
Dr. S. Rama Iyer	15,000 Equity Shares (0.02%)
Smt. Parul S. Mehta	40,45,226 Equity Shares (4.58%)
Shri Pranay Vakil	4,475 Equity Shares (0.005%)

ANNUAL GENERAL MEETINGS

Details of last three Annual General Meetings held:

Particulars	FY 2012-13	FY 2013-14	FY 2014-15
Day	Thursday	Thursday	Wednesday
Date	8th August, 2013	31st July, 2014	5th August, 2015
Time	11.30 a.m.	11.30 a.m.	11.30 a.m.
Venue	MDC Auditorium, Yashwantrao Chavan Academy of Development Administration (YASHADA) Campus, Rajbhavan Complex, Baner Road, Pune - 411007	MDC Auditorium, Yashwantrao Chavan Academy of Development Administration (YASHADA) Campus, Rajbhavan Complex, Baner Road, Pune - 411 007	Mahatma Phule Sanskrutik Bhawan, Vitthal Rao Shivarkar Road, Next to Shivarkar Garden, Fatima Nagar, Wanawadi, Pune - 411040
Whether any special resolutions passed	Yes • Payment of Commission to Non-Executive Director for a period of five years commencing with financial year 2013-14.	Yes • Consent to offer or invite subscriptions for secured redeemable non-convertible bonds / debentures, aggregating upto ₹ 1,000 Crore, on private placement. • Consent to borrow moneys upto ₹ 1,000 Crore over and above the aggregate of the paid-up capital and free reserves. • Consent to mortgage / charge / hypothecate / encumber any of the Company's moveable and / or immovable properties wherever situated both present and future or to lease or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the Company.	Yes • Consent to offer or invite subscriptions for secured redeemable non-convertible bonds / debentures, aggregating upto ₹ 1,000 Crore, on private placement.

No special resolution was passed through Postal Ballot during the Financial Year 2015-16.

DISCLOSURES

i. **Name & Designation of Compliance Officer: Shri Mandar Velankar, Assistant Company Secretary**

ii. **Details of Directors seeking appointment / re-appointment at the Annual General Meeting:**

Name of Director: Smt. Parul S. Mehta; **Age** : 51 Years; **Qualification :** B.Com; **Date of Appointment** : 20th October, 2005; **Expertise** : Experience in the areas of corporate public relations and social welfare activities; **Directorships as on 31st March, 2016** : Nova Synthetic Limited, Hightide Investments Private Limited: **Membership of the Committees**: She is a member of Corporate Social Responsibility (CSR) Committee of the Board of Directors; **Shareholding in the Company**: 40,45,226 Equity Shares of ₹ 10/- each.

iii. **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large:**

During the year 2015-16, the Company had transactions with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015. The basis of related party transactions is placed before the Audit Committee. All these transactions with related parties were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no material related party transactions in terms of Regulation 23 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015 during the financial year. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The Board of Directors has approved a 'Policy on Related Party Transactions' which has been uploaded on the Company's website: www.dfpcl.com.

iv. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years:**

The Company has complied with the requirements of Stock Exchanges, SEBI and other authority on matters related to capital markets and no penalties / strictures have been imposed against the Company during the last three years.

v. **Disclosures of compliance with mandatory requirements and adoption / non-adoption of non-mandatory requirements:**

The Company has complied with all the mandatory requirements and has also adopted part of the non-mandatory requirements.

vi. **Disclosures of relationships between Directors inter-se:**

Smt. Parul S. Mehta is wife of Shri S. C. Mehta.

Except as mentioned above, none of the other Directors have any relation *inter-se.*

vii. **Vigil Mechanism / Whistle Blower Policy:**

The Company has adopted Vigil Mechanism / Whistle Blower Policy (Policy) as approved by the Board of Directors. The Policy encourages whistle blowing against unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Audit Committee and Board of Directors on quarterly basis review the complaints received by the competent authority received under the Policy.The Vigil Mechanism/Whistle Blower Policy has been posted on the website of the Company www.dfpcl.com.

viii. **Regulations for Prevention of Insider Trading:**

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insider for its Directors, Officers and Specified Employees.

Shri Mandar Velankar, Asst. Company Secretary is the Compliance Officer under the said Policy.

ix. **Material Subsidiaries:**

The Company does not have any material subsidiary as defined under SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015. However the Company has formulated the Material Subsidiary Policy and the same has been posted on the website of the Company www.dfpcl.com

MEANS OF COMMUNICATION

The Company publishes its financial results every quarter in leading newspapers such as Business Standard and Sakal. The results are also displayed on the Company's website www.dfpcl.com

General Shareholder Information

1.	**Annual General Meeting Day, Date, Time and Venue**	:	Friday, 12th August, 2016 at 11.30 a.m. MDC Auditorium, Yashwantrao Chavan Academy of Development Administration (YASHDA) Campus, Raj Bhavan Complex, Baner Road, Pune – 411 007
2.	**Financial year / Calendar** **-Results for first quarter ending June 30, 2016**	:	Within 45 days from the end of the quarter
	-Results for second quarter ending September 30, 2016	:	Within 45 days from the end of the quarter
	-Results for third quarter ending December 31, 2016	:	Within 45 days from the end of the quarter
	-Results for financial year ending March 31, 2017	:	Within 60 days from the end of the financial year
3.	**Date of Book Closure**	:	Saturday, 6th August, 2016 to Friday, 12th August, 2016 (both days inclusive)
4.	**Dividend Payment Date**	:	Interim Dividend for the financial year 31st March, 2016 paid on 28th March, 2016
5.	**Registered Office and CIN**	:	Opp. Golf Course, Shastri Nagar, Yerawada, Pune - 411 006. CIN : L24121MH1979PLC021360
6.	**Corporate Office**	:	Sai Hira, Survey No. 93, Mundhwa, Pune – 411036
7.	**Phone, Fax, E-mail**	:	Phone : (020) 6645 8000, 26688117 Fax : (020) 26683723 Email : investorgrievance@dfpcl.com Website : www.dfpcl.com
8.	**Plant Location**	:	Plot K-1, K-7 & K-8, MIDC Industrial Area, Taloja A. V. 410 208, Dist. Raigad, Maharashtra Phone : (022) 6768 4000, 6149 5001 Fax : (022) 2741 2413, 6149 5151
9.	**Registrar & Share Transfer Agent (RTA) and Address for investors' Correspondence**	:	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032
10.	**Phone, Fax, E-mail of RTA**	:	Phone : (040) 6716 2222 Fax : (040) 2342 0814 E-mail : einward.ris@karvy.com
11.	**Listing on Stock Exchanges**	:	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) Annual Listing fee for financial year 2015-16 has been paid to both the Exchanges.
	Stock Code		BSE Limited (BSE): 500645 National Stock Exchange of India Limited (NSE) : DEEPAKFERT
	Demat ISIN in NSDL and CDSL		INE501A01019

12. Market Price Data for 2015-16:

MONTH	SHARE PRICE (in ₹)		BSE SENSEX	
	HIGH	LOW	HIGH	LOW
April, 2015	154.00	128.15	29,094.61	26,897.54
May, 2015	138.95	126.10	28,071.16	26,423.99
June, 2015	139.90	112.05	27,968.75	26,307.07
July, 2015	152.00	130.00	28,578.33	27,416.39
August, 2015	146.05	123.10	28,417.59	25,298.42
September, 2015	131.00	121.10	26,471.82	24,833.54
October, 2015	148.50	125.00	27,618.14	26,168.71
November, 2015	153.00	135.20	26,824.30	25,451.42
December, 2015	162.70	144.00	26,256.42	24,867.73
January, 2016	169.00	144.00	26,197.27	23,839.76
February, 2016	150.15	128.15	25,002.32	22,494.61
March, 2016	161.80	142.10	25,479.62	23,133.08

13. Distribution of shareholding as on 31st March, 2016 : 1,02,396 shareholders held 8,82,04,943 equity shares of ₹ 10/- each.

Distribution of shares (slab-wise)	No. of Shareholders	Percentage to total No. of shareholders	No. of shares held	Percentage to total share capital
Less than 500	97,079	94.81	1,07,44,742	12.18
500- 1000	3,036	2.96	23,80,856	2.70
1001-2000	1,142	1.11	17,22,216	1.95
2001-3000	353	0.35	8,98,740	1.02
3001-4000	172	0.17	6,17,837	0.70
4001-5000	155	0.15	7,26,675	0.82
5001-10000	210	0.21	15,43,379	1.75
10001 & above	249	0.24	6,95,70,498	78.88
TOTAL	**1,02,396**	**100.00**	**8,82,04,943**	**100.00**

14. Share Transfer System:

As the members are aware, the Company has appointed **Karvy Computershare Private Limited, as Registrar & Share Transfer Agent (RTA)** to handle dematerialisation of shares and physical share transfers as well as other share related activities of the Company.

The members are advised to correspond with the RTA at its office at **Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032**. Shares sent for transfer in physical form are registered and dispatched by our RTA within a maximum period of two weeks from receipt of the documents at its office, provided the documents are found to be in order. Shares under objection are returned within two weeks from receipt of the document.

15. Dematerialisation of Shares:

The shares of the Company are traded in dematerialised form. 8,15,13,647 Equity Shares (92.41% of paid-up capital) held by 51,234 shareholders (50.03% of total number of shareholders) have been dematerialised as on 31st March, 2016.

16. Outstanding GDRs, ADRs, Warrants or any Convertible Instruments etc.: Nil

17. Electronic Clearing System (ECS) / National Electronic Clearing Service (NECS):

The Company through its various communications in the past, had requested its members to furnish ECS / NECS mandate so as to enable the Company to credit the dividend directly to the shareholder's bank account. The Company has been remitting the dividend through ECS / NECS to those who had registered ECS / NECS mandate with the Company. However, in certain cases, although the members had furnished the ECS / NECS mandate, the remittance of dividend could not be effected through ECS / NECS at certain centers since adequate facility for crediting the amount was not available at those centers. In such cases, the dividend is being paid through dividend warrants with the bank account details printed on the warrants. The Company will remit the dividend through ECS / NECS whenever facilities are made available at those centers.

RBI vide its Circular dated 25th June, 2009 had introduced NECS which aims at increasing efficiency and simplification of the ECS process. RBI has also directed the member banks to update their systems and information pertaining to the bank account numbers of their customers. In view of the above, members holding shares in physical form desirous of receiving dividend electronically through NECS but have not updated / furnished mandate details are requested to obtain the prescribed mandate form from the Company's RTA and submit the same to the RTA duly filled in and signed for registration.

Investors holding shares under demat segment are requested to check NECS mandate registered with the respective Depository Participants and ensure correctness for prompt credit of dividend amount to their accounts.

18. Unclaimed / Outstanding dividend on equity shares:

To facilitate investors who have not claimed the dividend amount for earlier years on the Equity Shares from the Company, details of the unclaimed amount are being displayed on the Ministry of Corporate Affairs (MCA) website: www.iepf.gov.in

Investors are requested to browse the said site to find out the outstanding amount, if any, and claim the same from the Company, before transfer to the Investor Education and Protection Fund as per the provisions of the Companies Act, 2013.

DECLARATION

As per Regulation 26 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, this is to confirm that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2015-16.

Mumbai
Dated 26th May, 2016

S. C. MEHTA
Chairman & Managing Director

CERTIFICATE

To the members of

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

We have examined the compliance of conditions of corporate governance by Deepak Fertilisers And Petrochemicals Corporation Ltd (hereinafter referred "the Company"), for the year ended on 31st March, 2016 as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 1st April, 2015 to 30th November, 2015 and as per relevant provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015 ('Listing Regulations') for the period 1st December, 2015 to 31st March, 2016.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to 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 our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement/Listing Regulations, as applicable.

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

For **SVD & ASSOCIATES**
Company Secretaries

S. V. DEULKAR
Partner
F.C.S.: 1321
C.P.: 965

Pune
Dated 26th May, 2016

Independent Auditors' Report

To the Members of

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

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

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

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

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

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

Opinion

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

Emphasis of Matter

9. We draw attention to Note 37b(i) and (ii) to the financial statements which describe the uncertainty related to the outcome of supply of natural gas and subsidy related matters. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

(a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) In our opinion, in the event of materialisation of contingent liability referred in paragraph 9 under the Emphasis of Matter paragraph, the functioning of the Company's business may have an adverse impact.

(f) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure II;

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact, of pending litigations as at 31st March, 2016 on its financial position in its standalone financial statements – Refer Note 37;

ii. The Company did not have any long-term contracts including derivative contracts as at 31stMarch, 2016 for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2016.

FOR B.K. KHARE & CO.
Chartered Accountants
Firm Registration Number: 105102W

NARESH KUMAR KATARIA
Partner
Membership Number: 037825

Mumbai
Dated 26th May, 2016

Annexure I to the Auditors' Report referred to in our report of even date:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

   b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies as compared to book records were noticed on assets verified during the year.

   c) The title deeds of immovable properties, as disclosed in Note 11 on fixed assets to the financial statements, are held in the name of the Company.

2. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records been appropriately dealt with in the books of account. In our opinion the frequency of verification is reasonable.

3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3 (iii)(a), (iii) b and (iii) c of the said Order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans and advances given, investments made and guarantees, and securities given to parties covered under the respective sections have been complied with by the Company.

5. The Company has not accepted any deposits within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed thereunder to the extent notified.

6. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

7. a) According to the records of the Company examined by us and information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Value Added Tax (VAT), Service tax, Customs duty, Excise duty, Value Added Tax, Cess and other applicable statutory dues with the appropriate authorities during the year.

   There are no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they become payable.

   b) According to the information and explanations given to us and records of the Company examined by us, particulars of dues of Sales Tax, Value Added Tax (VAT), Customs Duty, Excise Duty and Cess which have not been deposited on account of disputes are as under:

Nature of the Statute	Amount in (₹ in Lacs)	Forum where dispute is pending	Period to which Amount relates
The Income Tax Act,1961	115.35	Income Tax Appellate Tribunal	Assessment Years 2009-10, 2010-11 and 2012-13.
The Income Tax Act,1961	33.22	Supreme Court	Assessment Year 2005-06
The Bombay Stamp Act, 1958	26.15	The Chief Revenue Authority, Pune	Financial Year 1995-96
The Central Excise Act, 1944	119.55	Bombay High Court	Financial Years 2000-01 to 2007-08
The Central Excise Act,1944	644.68	Central Excise & Service Tax Appellate Tribunal Mumbai	Financial Years 2000-01 to 2010-11
The Central Excise Act,1944	4.59	Commissioner Appeals (Excise) Raigad	Financial Year 2013-14
The Central Excise Act,1944	3.38	Assistant Commissioner of Central Excise Kalamboli Division	Financial Years 2014-15 and 2015-16
The Central Excise Act,1944	278.93	Supreme Court	Financial Years 2008-09 and 2009-10
Finance Act 1994 (Service Tax)	25.91	Central Excise & Service Tax Appellate Tribunal Mumbai	Financial Years 2008-09 and 2009-10
Finance Act 1994 (Service Tax)	15.06	Dy. Commissioner (Service Tax), Mumbai	Financial Years 1999-2000, 2000-01 and 2003-04
Finance Act 1994 (Service Tax)	1,880.87	Central Excise & Service Tax Appellate Tribunal Mumbai	Financial Years 2007-08 to 2011-12
Finance Act 1994 (Service Tax)	69.20	Commissioner of Appeals (Service Tax)	Financial Years 2006-07, 2007-08 and 2009-10
Finance Act 1994 (Service Tax)	15.91	Joint Commissioner (Service Tax) Mumbai	Financial Years 2004-05 and 2005-06
The Maharashtra Sales Tax on Transfer of Right to Use any Goods for any purpose.	0.24	Dy. Commissioner of Sales Tax, Pune	Assessment Year 1990-91
The Bombay Sales Tax Act,1959	71.55	Commissioner of Sales Tax (Appeals), Pune	Financial Year 2004-05
The Central Sales Tax Act,1956	2,242.76	Commissioner of Sales Tax (Appeals), Pune	Financial Years 2004-05, 2005-06, 2006-07, 2009-10,2010-11 and 2011-12
The Central Sales Tax Act,1956	741.9	Karnataka High Court	Financial Year 2005 - 06 to 2009-10
The Maharashtra Value Added Tax Act, 2002	306.84	Commissioner of Sales Tax (Appeals), Pune	Financial Years 2005-06 and 2011-12
Custom Tariff Act	9,347.27	Deputy Commissioner of Customs (Preventive) Alibag Division, Marine & Preventive Wing Mumbai	Financial Years 2005-06 to 2009-10

8. Based on the records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or Government or debenture holders as at the Balance Sheet date.

9. Based on the records examined by us and according to the information and explanations given to us, during the year, term loans were applied for the purpose for which the loans were obtained. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer.

10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have not come across any instances of frauds by the Company or any material fraud on the Company by its officers or employees nor have any instances of material fraud been reported to us by the management during the year.

11. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

12. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the said provisions of the Order are not applicable to the Company.

13. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required by applicable Accounting Standards.

14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the Clause 3(xiv) of the Order is not applicable to the Company.

15. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the Clause 3(xv) of the Order is not applicable to the Company.

16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

FOR B.K. KHARE & CO.
Chartered Accountants
Firm Registration Number: 105102W

NARESH KUMAR KATARIA
Partner
Membership Number: 037825

Mumbai
Dated 26th May, 2016

Annexure II to Independent Auditors' Report

Referred to in paragraph 11 (g) of the Independent Auditors' Report of even date to the members of Deepak Fertilisers And Petrochemicals Corporation Limited on the standalone financial statements for the year ended 31st March 2016.

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Deepak Fertilisers And Petrochemicals Corporation Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR B.K. KHARE & CO.
Chartered Accountants
Firm Registration Number: 105102W

NARESH KUMAR KATARIA
Partner
Membership Number: 037825

Mumbai
Dated 26th May, 2016

Balance Sheet

as at 31st March, 2016

(₹ in Lacs)

	Note	As at 31st March, 2016	As at 31st March, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	8,820.49	8,820.49
Reserves and surplus	3	1,51,196.78	1,43,665.73
		1,60,017.27	**1,52,486.22**
Non-current liabilities			
Long-term borrowings	4	46,987.58	33,854.17
Deferred tax liabilities (Net)	5	12,356.18	12,449.43
Other long-term liabilities	6	114.95	81.99
Long-term provisions	7	3,026.71	2,609.64
		62,485.42	**48,995.23**
Current liabilities			
Short-term borrowings	8	1,40,435.00	78,510.99
Trade payables	9		
(a) Total outstanding dues of micro enterprises and small enterprises; and		43.36	0.31
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises.		46,658.12	23,063.96
Other current liabilities	10	25,224.26	38,032.16
Short-term provisions	7	2,574.80	5,282.51
		2,14,935.54	**1,44,889.93**
Total		**4,37,438.23**	**3,46,371.38**
ASSETS			
Non-current assets			
Fixed assets			
- Tangible assets	11	1,28,471.46	1,34,453.91
- Intangible assets	12	469.20	607.04
Capital work-in-progress	13	39,504.68	14,056.56
		1,68,445.34	**1,49,117.51**
Non-current investments	14	10,818.88	10,818.48
Long-term loans and advances	15	10,326.14	6,031.03
Other Non-current assets	20	1,159.23	820.33
		1,90,749.59	**1,66,787.35**
Current assets			
Current investments	16	2,717.77	19,324.90
Inventories	17	59,806.06	40,295.94
Trade receivables	18	1,47,862.77	93,525.27
Cash and bank balances	19	20,971.39	3,836.17
Short-term loans and advances	15	14,675.55	20,971.15
Other current assets	20	655.10	1,630.60
		2,46,688.64	**1,79,584.03**
Total		**4,37,438.23**	**3,46,371.38**
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date

For B.K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

NARESH KUMAR KATARIA
Partner
Membership No.: 037825

Mumbai
Dated: 26th May, 2016

For and on behalf of the Board of Directors

S.C. MEHTA
Chairman & Managing Director
DIN : 00128204

S.R. WADHWA
Director
DIN : 00228201

Mumbai
Dated: 26th May, 2016

N.C. SINGHAL
Director
DIN : 00004916

VIPIN AGARWAL
President & CFO

DR. S. RAMA IYER
Director
DIN : 00076549

MANDAR VELANKAR
Asst. Company Secretary
ACS : 14469

Statement of Profit and Loss

for the year ended 31st March, 2016

(₹ in Lacs)

	Note	Year ended 31st March, 2016	Year ended 31st March, 2015
CONTINUING OPERATIONS			
Revenue:			
Revenue from operations (Gross)	21	4,48,414.25	3,92,945.31
Less: Excise duty		22,542.00	21,768.68
Revenue from operations (Net)		**4,25,872.25**	**3,71,176.63**
Other income	22	5,114.09	3,828.04
Total Revenue		**4,30,986.34**	**3,75,004.67**
Expenses:			
Cost of materials consumed	23	1,50,798.37	1,39,464.44
Purchase of stock-in-trade	24	1,96,896.14	1,59,580.13
Change in Inventory of finished goods and stock-in-trade- (Increase) / decrease	25	(17,445.63)	(7,256.59)
Employee benefits expenses	26	16,937.57	14,268.13
Finance costs	27	12,647.91	11,010.71
Depreciation, amortisation and impairment expenses	28	11,735.60	11,730.78
Other expenses	29	42,476.24	35,349.87
Total Expenses		**4,14,046.20**	**3,64,147.47**
Profit before exceptional and extraordinary items and tax		**16,940.14**	**10,857.20**
Exceptional items-Expenses / (Income)	38	–	34.85
Profit before extraordinary items and tax		**16,940.14**	**10,822.35**
Extraordinary Items		–	–
Profit before tax		**16,940.14**	**10,822.35**
Tax expenses			
Current tax		4,920.00	2,543.75
Deferred tax charge/(credit)		(93.25)	443.45
Total tax expenses		4,826.75	2,987.20
Profit for the year		**12,113.39**	**7,835.15**
Earnings per Equity Share: Face value ₹ 10 each	30		
i) Basic (in ₹)		13.73	8.88
ii) Diluted (in ₹)		13.73	8.88
Summary of significant accounting policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date

For B.K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

NARESH KUMAR KATARIA
Partner
Membership No.: 037825

Mumbai
Dated: 26th May, 2016

For and on behalf of the Board of Directors

S.C. MEHTA
Chairman & Managing Director
DIN : 00128204

S.R. WADHWA
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DIN : 00228201

Mumbai
Dated: 26th May, 2016

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DR. S. RAMA IYER
Director
DIN : 00076549

MANDAR VELANKAR
Asst. Company Secretary
ACS : 14469

Cash Flow Statement

for the year ended 31st March, 2016

(₹ in Lacs)

			2015-16	2014-15
(A)	**Cash flow from operating activities**			
	Net profit before tax		**16,940.14**	**10,822.35**
	Adjustments for-			
	Depreciation and amortisation		11,735.60	11,730.78
	Exchange (gain)/loss (net)		2,216.75	3,348.70
	Profit on sale of investments		(173.81)	(463.10)
	Provision for diminution in the value of Investments		38.39	(736.70)
	Provision for doubtful debts		251.92	61.92
	Exceptional items		–	34.85
	Loss/(profit) on sale of assets (net)		106.62	74.57
	Interest income		(801.23)	(1,495.18)
	Dividend income		(3,700.00)	(955.54)
	Interest expenses		12,647.91	11,010.71
	Operating profit before working capital changes		**39,262.29**	**33,433.36**
	Adjustments for (increase)/decrease in:			
	Trade and other receivables		(53,864.26)	(17,915.44)
	Security deposits		(46.16)	(449.53)
	Inventories		(19,510.09)	(6,420.13)
	Trade payables		30,262.13	(13,804.80)
	Cash generated from operations		**(3,896.09)**	**(5,156.54)**
	Direct taxes paid/refund		(2,792.07)	(2,104.91)
	Cash flow before exceptional items		**(6,688.16)**	**(7,261.45)**
	Exceptional items		–	(34.85)
	Net cash generated from /(used in) operating activities	**(A)**	**(6,688.16)**	**(7,296.30)**
(B)	**Cash flow from investing activities**			
	Purchase of fixed assets		(32,088.65)	(12,805.29)
	Sale of fixed assets		1,650.76	69.01
	Capital advances		(4,483.18)	(1,853.09)
	Acquisition of investments-others (net)		(2,513.16)	(430.04)
	Sale of investments		19,255.31	1,990.30
	Deposits placed		(534.09)	(325.54)
	Loans and advances		4,643.95	(7,974.88)
	Interest received		1,971.93	1,249.45
	Dividend received		3,700.00	955.90
	Net cash generated from /(used in) investing activities	**(B)**	**(8,397.13)**	**(19,124.18)**
(C)	**Cash flow from financing activities**			
	Exchange (gain)/loss (net)		(805.82)	(2,826.71)
	Working capital borrowings-proceeds/(repayment) (net)		61,923.97	55,546.07
	External commercial borrowings (repayment)		(7,446.22)	(5,800.17)
	Term loan (net)		20,000.00	–
	Debentures (repayment)		(18,333.34)	(7,499.99)
	Interest paid		(15,027.13)	(11,889.78)
	Equity dividend and corporate dividend tax paid		(8,387.00)	(6,592.83)
	Net Cash generated/(used) in financing activities	**(C)**	**31,924.46**	**20,936.59**
	Net increase/(decrease) in cash and cash equivalents	**(A + B + C)**	**16,839.17**	**(5,483.89)**
	Cash and cash equivalents opening balance		**3,339.72**	**8,823.61**
	Cash and cash equivalents closing balance		**20,178.89**	**3,339.72**
	Earmarked balances with the bank		**792.50**	**496.45**
	Cash and bank balances at the end of the year	**Note 19**	**20,971.39**	**3,836.17**

Notes: (i) Figures in brackets are outflows.

(ii) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement prescribed under section 133 of the Companies Act, 2013.

(iii) Previous Years figures have been re-grouped wherever necessary to conform to current year's classification.

As per our report of even date

For B.K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

NARESH KUMAR KATARIA
Partner
Membership No.: 037825

Mumbai
Dated: 26th May, 2016

For and on behalf of the Board of Directors

S.C. MEHTA
Chairman & Managing Director
DIN : 00128204

S.R. WADHWA
Director
DIN : 00228201

Mumbai
Dated: 26th May, 2016

N.C. SINGHAL
Director
DIN : 00004916

VIPIN AGARWAL
President & CFO

DR. S. RAMA IYER
Director
DIN : 00076549

MANDAR VELANKAR
Asst. Company Secretary
ACS : 14469

Notes

to the financial statements for the year ended 31st March, 2016

THE COMPANY AND NATURE OF ITS OPERATIONS:

Deepak Fertilisers And Petrochemicals Corporation Limited having corporate office in Pune, Maharashtra, India carries on business in fertilisers, agri services, bulk chemicals, mining chemical and value added real estate. The Company is a public limited company and is listed on the National Stock Exchange of India Limited and The BSE Limited.

Note-1 SIGNIFICANT ACCOUNTING POLICIES

A) Basis for preparation of financial statements

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on an accrual basis, and are in conformity with mandatory accounting standards, as prescribed under Section 133 of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

B) Use of estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, the useful lives and provision for impairment of fixed assets and intangible assets etc.

The Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

C) Revenue recognition

- Domestic sales are recognised at the point of dispatch of goods to the customers, which is when substantial risks and rewards of ownership passed to the customers, and are stated net of trade discounts, rebates, sales tax, value added tax and excise duty.
- Export sales are recognised based on the shipped on board date as per bill of lading when significant risk and rewards of ownership are transferred to the customer.
- Sales include product subsidy and claims, if any, for reimbursement of cost escalation receivable from Ministry of Agriculture/Ministry of Fertilisers.
- Revenue in respect of Interest (other than on deposits with banks and others/investments, which are accounted on accrual basis), Insurance claims, Subsidy and reimbursement of cost escalation claimed from Ministry of Agriculture/Ministry of Fertilisers beyond the notified retention price and price concession on fertilisers pending acceptance of claims by the concerned parties is recognised to the extent the Company is reasonably certain of their ultimate realisation.
- Clean Development Mechanism (CDM) benefits known as Carbon Credit for wind energy units generated and N_2O reduction in its Nitric Acid plant are recognised as revenue on the actual realisation of the applicable credits.
- Credits on account of Duty drawback and other benefits, which are due to be received with reasonable certainty, are accrued upon completion of exports.
- Rental income from realty business is recognised based on the contractual terms. In case of revenue sharing arrangements, the rental income is recognised on the basis of provisional information provided by the lessees where the final data is awaited on the date of revenue recognition.
- Dividend income is accounted for when the right to receive is established.

D) Tangible assets, Intangible assets and Capital work-in-progress

- Fixed Assets (including major modifications/betterments) are recorded at cost of acquisition or construction and other expenditure incidental and related to such acquisition/construction. Tangible fixed assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment and those which were revalued are stated at the values determined by the valuers less accumulated depreciation and cumulative impairment.
- Intangible Assets (Goodwill, Patent, Trademark, Software Licenses etc.) are capitalised at cost of acquisition or development and expenditure incidental and related to such acquisition/development.
- Exchange variation arising from repayment/restatement of the long-term debts/borrowings in foreign currencies for acquisition of fixed assets is capitalised in terms of the option exercised by the Company as per the Ministry of Corporate Affairs (MCA) circular Notification No. G.S.R.378 (E) dated 11th May, 2011 and further amended by pursuant to Circular No. 25/2012 dated 9th August, 2012 issued by MCA.

- Machinery Spares other than those required for regular maintenance are capitalised at cost.

Also refer notes (I) and (K) for capitalisation of exchange difference of long term loans and interest on borrowings to acquire qualifying assets.

E) Depreciation and amortisation

Tangible assets:

- Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013. As per requirements of the Companies Act, 2013 the Company has also identified significant components of the assets and its useful life based on the internal technical evaluation. Depreciation charge on such components is based on its useful life. Estimated useful life adopted in respect of the following assets is different from the useful life prescribed in Schedule – II of the Companies Act, 2013.

Name of assets	Estimated useful life
Computers - Servers and Networks	4 Years or 6 Years
End User Devices such as, desktops, laptops etc.	4 Years or 6 Years
Vehicles	4 Years for employees vehicles and 6-7 Years for other vehicles
Buildings other than Factory Buildings RCC Frame Structure	61 Years
Plant and Machinery	Various estimated life upto 21 years. WNA III plant at the rate of 25.88% on WDV basis
Windmill	19 Years

- Depreciation for assets purchased/sold during a period is proportionately charged.
- Depreciation on exchange rate variances capitalised as part of the cost of Fixed Assets, has been provided prospectively over the residual useful life of the assets.
- Capitalised machinery Spares are depreciated over remaining useful life of the related machinery/equipment. Costs of such spares are charged to the Statement of Profit and Loss when issued for actual use at written down value.
- Cost of Leasehold Land is amortised over the lease period.

Intangible assets:

- Intangible assets are amortised over a period not exceeding 60 months except in the case of right to use of properties which are amortised over a period of effective useful life of such right.

Capital work-in-progress:

- Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

Assets taken on operating lease:

- Assets taken on operating lease are recognised in the Statement of Profit and Loss as per the terms of the contract.

Assets given on operating lease:

Assets given on operating lease are recognised as income in the Statement of Profit and Loss as per the terms of the contract.

F) Impairment of assets

The carrying amount of cash generating units/assets is reviewed at Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated as the higher of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Impairment loss is recognised whenever carrying amount exceeds the recoverable amount. Conversely, previously recognised losses are reversed when the estimated recoverable amount exceeds the carrying amount.

G) Inventories

- Raw materials are valued at lower of moving weighted average cost and net realisable value. However these items are written down to realisable value if the costs of the related finished goods is not expected to recover the cost of raw materials.
- Stores, regular spares, oil, chemicals, catalysts and packing material are valued at moving weighted average cost.
- Cost of inventory of materials is ascertained net of applicable CENVAT/VAT credits.
- Finished goods including those held for captive consumption are valued at lower of factory cost (including depreciation, excise duty payable/paid wherever applicable) or and net realisable value.
- Stock-in-trade is valued at lower of cost and net realisable value.
- Value of Work-in-Process of all products is ignored for the purpose of inventory having regard to the concept of materiality and difficulty of quantifying such stocks with exactitude.

H) Investments

- Long-term (non-current) investments are valued at cost after appropriate adjustment, if necessary, for diminution in their value which are other than temporary in nature.
- Current Investments are stated at lower of cost and fair value.

I) Foreign currency transactions, forward contracts and derivatives

- Transactions in foreign currency are recorded at the rate of exchange prevailing on the dates of the transactions. Foreign currency monetary items are restated at the rate as of the date of Balance Sheet.
- Exchange differences either on settlement or on translation are dealt with in the Statement of Profit and Loss. However exchange differences, arising either on settlement or on translation, in case of long-term borrowings used for acquisition of fixed assets are capitalised.
- In case of forward contracts with underlying assets or liabilities, the difference between the forward rate and the exchange rate on the date of inception of a forward contract is recognised as income or expense and is amortised over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which they arise. Any profit or loss arising on cancellation or renewal of forward exchange contracts are recognised as income or expense for the period.
- Wherever the variable interest in respect of External Commercial Borrowings is swapped for fixed interest rates, the fixed interest expense is recognised in the Statement of Profit and Loss.
- The Company has taken option contracts to hedge its currency risks on liabilities in foreign currency. These contracts are Marked to Market (MTM) as at the year end and net loss after considering offsetting effect on the underlying liabilities is charged to Statement of Profit and Loss and capitalised if it is in respect of long-term foreign currency loans taken for acquisition of qualifying assets. Net gain, if any is not recognised.
- Premium on option contracts are amortised and recognised in Statement of Profit and Loss over the period of contract.

J) Employee benefits

- Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Provident fund

- The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are paid to the Regional Provident Fund Commissioner and the Central Provident Fund under the Pension scheme. The Company recognises such contributions as expense of the year in which the liability is incurred.

Gratuity

- The Company has an obligation towards Gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan is managed by a Trust and the fund is invested with recognised Insurance Companies under their Group Gratuity scheme. The Company makes annual contributions to Gratuity fund and recognises the liability for Gratuity benefits payable in future based on an independent actuarial valuation.

Superannuation

- The Company has an optional Superannuation Plan for its executives, a defined contribution plan. The Company makes annual contributions at 15% of the covered employees' salary, subject to maximum of ₹ 1,00,000 per employee, for the executives opting for the benefit. The plan is managed by a Trust and the funds are invested with recognised Insurance Companies under their Group Superannuation Scheme. Annual contributions as specified under the Trust deed are paid to the Insurance Companies and recognised as an expense of the year in which the liability is incurred.

Compensated absences

- The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave for availment as well as encashment subject to the rules. As per the regular past practice followed by the employees, it is not expected that the entire accumulated leave shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as long-term defined benefit. The liability is provided for based on the number of days of unutilised leave at the Balance Sheet date on the basis of an independent actuarial valuation.

Medical Benefits

- The Company has a medical benefit plan according to which employees are entitled to be covered under mediclaim policy for the next five years post their superannuation. The amount being insignificant, the liability towards such benefit is recognised based on the actual premium payable.

Post-Retirement Benefits

- The Company has a Post Retirement Benefit plan, which is a defined benefit retirement plan, according to which executives superannuating from the service after ten years of service are eligible for certain benefits like medical, fuel, telephone reimbursement, club membership etc. for specified number of years. The liability is provided for on the basis of an independent actuarial valuation.

K) Borrowing costs

- Borrowing costs that are attributable to the construction/acquisition of qualifying fixed assets are capitalised as a part of the cost of these capitalised assets till the date of completion of physical construction/mechanical completion of the assets. Borrowing costs include exchange differences to the extent treated as finance cost under AS-16 on borrowing cost.

L) Provisions and contingent liabilities

- A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation and in respect of which a reliable estimate can be made. Provision is not discounted and is determined based on best estimate required to settle the obligation at the reporting date.
- Contingent Liabilities are disclosed in respect of:
  - Possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or
  - Any present obligation where it is not probable that an outflow of resources embodying economic benefit will be required to settle obligation or a reliable estimate of the amount of obligation cannot be made.
  - However, in situations where the likelihood of an outflow of resources is assessed to be remote, no disclosure is made as such items not in the nature of Contingent liabilities.
- Contingent Assets are not recognised or disclosed in the financial statements.

M) Taxes on Income

- Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognised as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of ten succeeding assessment years.
- Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets on unabsorbed tax losses and unabsorbed tax depreciation are recognised only when there is a virtual certainty of their realisation. Other deferred tax assets are recognised only when there is a reasonable certainty of their realisation.

N) Cash and cash equivalents

- In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with banks, with original maturities of three months or less.

O) Earnings per Share

- Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per Share is the net profit for the year after deducting preference dividends and any attributable tax thereto for the year. For the purpose of calculating diluted Earnings per Share, the net profit or loss for the year attributable to Equity Shareholders and the weighted average number of Shares outstanding during the year is adjusted for the effects of all dilutive potential Equity Shares.

Note-2 SHARE CAPITAL

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Authorised		
12,50,00,000 Equity Shares of ₹ 10 each	12,500.00	12,500.00
10,00,000 Cumulative Redeemable Preference Shares of ₹ 100 each	1,000.00	1,000.00
	13,500.00	**13,500.00**
Issued, subscribed and fully paid-up		
8,82,04,943 equity Shares of ₹ 10 each fully paid-up	8,820.49	8,820.49
Total	**8,820.49**	**8,820.49**

a) Reconciliation of the number of Equity Shares

Equity Shares	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Balance as at the beginning of the year	8,82,04,943	8,820.49	8,82,04,943	8,820.49
Add: Issued during the year	–	–	–	–
Balance as at the end of the year	**8,82,04,943**	**8,820.49**	**8,82,04,943**	**8,820.49**

b) Terms/Rights attached with equity shares

The Company has only one class of issued Equity Shares having at par value of ₹ 10 per Share. Each holder of Equity Shares is entitled to one vote per Share.

The Company declares and pays dividend in Indian Rupee except in the case of overseas Shareholders where dividend is paid in respective foreign currencies considering foreign exchange rate applied at the date of remittance. The dividend proposed by the Board of Directors is subject to the approval of Shareholders in the ensuring Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

c) Details of the Shares held by Shareholders holding more than 5% of the aggregate Shares in the Company

Name of Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares (in Lacs)	% of Holding	No. of Shares (in Lacs)	% of Holding
Mr. S. C. Mehta	212.84	24.13%	212.84	24.13%
Nova Synthetic Limited	172.67	19.58%	172.67	19.58%
Fidelity Puritan Trust - Fidelity Low-Priced Stock Fund	75.69	8.58%	75.69	8.58%
Total	**461.20**	**52.29%**	**461.20**	**52.29%**

Note-3 RESERVES AND SURPLUS

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Capital reserve	**0.13**	**0.13**
Capital redemption reserve	**150.00**	**150.00**
Securities premium reserves	**10,798.95**	**10,798.95**
Debenture redemption reserve		
Balance as at the beginning of the year	8,104.13	7,874.93
Less: Amount transferred (to)/from the Surplus of Statement of Profit and Loss	(3,104.13)	229.20
Balance as at the end of the year	**5,000.00**	**8,104.13**
General reserve	**17,709.91**	**17,709.91**
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	**1,06,902.61**	**1,03,757.04**
Transitional impact of change in useful life of asset (net of deferred tax of ₹ Nil (₹ 226.45 Lacs)) Refer Note 28	–	(359.17)
Add: Profit during the year	12,113.39	7,835.15
	1,19,016.00	**1,11,233.02**
Less: Appropriations		
Interim Dividend on Equity Shares (Dividend per share ₹ 5.00 (Nil))	4,410.25	–
Proposed dividend on Equity Shares - (Dividend per share Nil (₹ 4.00))	–	3,528.32
Tax on dividend on Equity Shares (#)	172.09	572.89
Transfer (from)/to Debenture redemption reserve	(3,104.13)	229.20
Transfer to General reserve	–	–
Total appropriations	**1,478.21**	**4,330.41**
Net Surplus in the Statement of Profit and Loss	**1,17,537.79**	**1,06,902.61**
Total	**1,51,196.78**	**1,43,665.73**

Net of credit of tax on dividend distributions by the Subsidiary Company ₹ 750.75 Lacs (0.12 Lacs)

Note-4 LONG-TERM BORROWINGS-SECURED

(₹ in Lacs)

	Non-Current		Current	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
External Commercial Borrowings (ECBs)				
Bank of Baroda, London	1,987.58	6,250.00	4,637.68	2,500.00
HSBC Bank (Mauritius) Ltd.	–	2,604.17	2,760.52	5,208.33
(A)	**1,987.58**	**8,854.17**	**7,398.20**	**7,708.33**
Bond/Debentures - Secured (Listed)				
500, 9.31% Redeemable Privately Placed Non-Convertible Debentures (NCDs) of ₹ 10 Lacs each	–	–	–	5,000.00
500, 10.00% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	–	–	–	1,666.67
500, 9.75% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	–	–	–	1,666.67
1,000, 9.70% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	–	–	–	10,000.00
2,500, 9.71% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	25,000.00	25,000.00	–	–
(B)	**25,000.00**	**25,000.00**	**–**	**18,333.34**
Term Loans from banks				
State Bank of India	10,000.00	–	–	–
Kotak Mahindra Bank	6,364.00	–	–	–
Export Import Bank of India	3,636.00	–	–	–
(C)	**20,000.00**	–	–	–
Total (A + B + C)	**46,987.58**	**33,854.17**	**7,398.20**	**26,041.67**
Less: Current maturity of long-term Borrowings disclosed under the "Current liabilities". (Refer Note 10)			**7,398.20**	**26,041.67**

Sr. No.	Particulars	Interest Rate and Repayment Schedule	Security
1.	External Commercial Borrowing from Bank of Baroda, ₹ 6,625.26 Lacs (₹ 8,750.00 Lacs). ₹ 1,159.23 (₹ 624.94 Lacs) kept as fixed deposit with Bank of Baroda as lien for ECBs (Refer Note No. 20)	At variable interest rate of LIBOR + 325 bps payable quarterly (average for the year 3.80% (3.59%)). Repayable in 20 quarterly installments commencing from 30th September, 2012 and last installment is payable on 30th June, 2017	*Pari-passu* first charge on the entire fixed assets pertaining to Technical Ammonium Nitrate (TAN Project), the leasehold rights and interest in Plot Nos. K-7 and K-8 at MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra and the building(s) structure(s) standing or to be constructed thereon and all fixed plants and machineries installed/to be installed thereon, and all movable machineries, equipments and other movable assets of the said project, both present and future and the equipments, furniture, fixtures and fittings (excluding current assets) along with payment of interest and additional interest on the said loans, remuneration of the Trustees and all other monies thereto.
2.	External Commercial Borrowing from HSBC Bank, ₹ 2,760.52 Lacs (₹ 7,812.50 Lacs)	At variable interest rate of LIBOR plus 300 basis points payable half yearly. The Company has taken interest rate swap from floating to fixed rate of 6.09%. Repayable in 6 equal half yearly installments commencing from 31st January, 2014 and last installment is payable on 29th July, 2016	
3.	Redeemable Privately Placed Non Convertible Debentures ₹ Nil (₹ 5,000 Lacs)	9.31% per annum payable annually. Redeemed on 15th July, 2015	*Pari-passu* first charge on the Company's fixed assets, plant and machinery pertaining to Iso Propyl Alcohol (IPA) Plant located at Plot No. K-2, MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra and the building(s), structure(s) standing or to be constructed thereon and all fixed plants and machineries installed/to be installed thereon, and all movable machineries, equipments and other movable assets of the said project, both present and future and the equipments, furniture, fixtures and fittings (excluding current assets) along with payment of interest and additional interest on the said loans, remuneration of the Trustees and all other monies thereto to rank *pari-passu* with subsisting mortgage with minimum asset cover of 1.25 times of the asset value over the outstanding debenture issue amount, at all times.
4.	Redeemable Privately Placed Non Convertible Debentures ₹ Nil (₹ 1,666.67 Lacs)	10% per annum payable quarterly. Redeemed on 25th November, 2015	*Pari-passu* first charge on the entire fixed assets pertaining to Technical Ammonium Nitrate (TAN Project), the leasehold rights and interest in Plot Nos. K-7 and K-8 at MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra and the building(s) structure(s) standing or to be constructed thereon and all fixed plants and machineries installed/to be installed thereon, and all movable machineries, equipments and other movable assets of the said project, both present and future and the equipments, furniture, fixtures and fittings (excluding current assets) along with payment of interest and additional interest on the said loans. remuneration of the Trustees and all other monies thereto to rank *pari-passu* with subsisting mortgage with minimum asset cover of 1.25 times of the asset value over the outstanding debenture issue amount, at all times.
5.	Redeemable Privately Placed Non Convertible Debentures ₹ Nil (₹ 1,666.67 Lacs)	9.75% per annum payable quarterly. Redeemed on 25th November, 2015	

Sr. No.	Particulars	Interest Rate and Repayment Schedule	Security
6.	Privately Placed Non Convertible Debentures ₹Nil (₹10,000 Lacs)	9.70% per annum payable annually. Redeemed on 18th January, 2016	*Pari-Passu* charge on the present and future immovable and movable fixed assets (i.e. Land, Building and Plant & Machinery) pertaining to Ammonia, WNA, CNA, LDAN, ANP, Bagging, ETP, DNA4, Methanol, CO_2 plants located at Plot K1, MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra of the Company, ensuring a minimum asset cover of 1.25 times of the gross value of assets over the outstanding debenture issue amount, at all times.
7.	Privately Placed Non Convertible Debentures ₹ 25,000 Lacs (₹ 25,000 Lacs)	9.71% per annum payable annually. Redeemable in single installment on 18th January, 2018	
8.	Rupee Term Loan from State Bank of India (₹ 27,500 Lacs tied up) ₹ 10,000 Lacs availed during the year (₹ Nil)	At variable interest rate payable monthly (average for the year: 9.95% (Nil)). Repayable in 28 quarterly installments starting from June 2017 onwards.	*Pari passu* first charge to be created on the entire fixed assets pertaining to Nitro Phosphate Plant (NPK Project). All present and future immovable and movable fixed assets pertaining to NPK Project lying from Plot K1 to Plot K-5, MIDC Industrial Estate, Taloja, Raigad. First charge on all movable fixed assets located at Plot K1 to K5, MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra of the Company.
9.	Rupee Term Loan from Kotak Mahindra Bank Ltd. (₹ 17,500 Lacs tied up) ₹ 6,364.00 Lacs availed during the year (₹ Nil)	At variable interest rate payable monthly (average for the year: 9.95% (Nil)). Repayable in 28 quarterly installments starting from June 2017 onwards.	
10.	Rupee Term Loan from Export Import Bank of India (₹ 10,000 Lacs tied up) ₹ 3,636 Lacs availed during the year (₹ Nil)	At variable interest rate payable monthly (average for the year: 9.95% (Nil)). Repayable in 28 quarterly installments starting from June 2017 onwards.	

Note-5 DEFERRED TAX LIABILITIES (NET)

(₹ in Lacs)

		Balance as on 1st April, 2015	Increase/ (Decrease)	Balance as on 31st March, 2016
Deferred tax liabilities				
- Timing Difference on account of depreciation		14,701.15	(443.05)	14,258.10
- Others		88.37	(88.37)	–
	(A)	**14,789.52**	**(531.42)**	**14,258.10**
Deferred tax assets				
- Provision for doubtful debts/loan and advances		341.97	(341.97)	–
- Accrued expenses deductible on actual payments		1,795.79	(197.43)	1,598.36
- Others		202.33	101.23	303.56
	(B)	**2,340.09**	**(438.17)**	**1,901.92**
Deferred tax liability (Net)	**(A - B)**	**12,449.43**	**(93.25)**	**12,356.18**
Previous Year		11,775.48	673.95	12,449.43

Note-6 OTHER LONG-TERM LIABILITIES

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Deposit & Retention money	114.95	81.99
Total	**114.95**	**81.99**

Note-7 PROVISIONS

(₹ in Lacs)

	Long-term provisions		Short-term provisions	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Provision for employee benefits				
Compensated absences	1,668.59	1,418.55	377.35	298.64
Gratuity	1,058.45	989.41	613.47	756.90
Post retirement benefits	299.67	201.68	18.66	75.68
	3,026.71	**2,609.64**	**1,009.48**	**1,131.22**
Others				
Provision for taxes	–	–	1,515.12	–
Proposed dividend	–	–	–	3,528.20
Dividend distribution tax on proposed dividend	–	–	–	572.89
Others (Refer Note 54)	–	–	50.20	50.20
	–	**–**	**1,565.32**	**4,151.29**
Total	**3,026.71**	**2,609.64**	**2,574.80**	**5,282.51**

Note-8 SHORT-TERM BORROWINGS

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Secured		
From banks:		
- Buyer's credit	30,276.18	31,596.02
- Short-term loan from bank	10,000.00	7,500.00
- Cash credit facilities (refer note below)	984.93	4,810.94
Unsecured		
- Commercial Paper Borrowings (refer note below)	99,173.89	34,604.03
	1,40,435.00	**78,510.99**

Notes:

1. Buyer's credits are generally due within 180 days and carry variable rate of interest (Average Interest rate for the year 0.94% (0.84%)) and are secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.
2. Short-term loan from bank is repayable on 30th April, 2016 and carries interest rate of 9.45% (9.60%)and is secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.
3. Cash credit is repayable on demand and carries variable interest rate (average interest rate for the year is 9.93 % (10.56%). Cash credit facilities sanctioned by banks including working capital demand loans are secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.
4. Commercial Paper Borrowings carries variable interest rate. Average interest rate for the year is 8.51% (8.89%).

Note-9 TRADE PAYABLES

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Micro, Small and Medium Enterprises (Refer note below)	43.36	0.31
Trade payables	46,658.12	23,063.96
Total	**46,701.48**	**23,064.27**

Details of Micro and Small Enterprises as define under MSMED ACT, 2006

To comply with the requirement of The Micro, Small And Medium Enterprises Development Act, 2006, the Company requested its suppliers to confirm it whether they are covered as Micro, Small or Medium enterprise as is defined in the said Act. Based on the communications received from such suppliers confirming their coverage as such enterprise, the Company has recognised them for the necessary treatment as provided under the Act, from the date of receipt of such confirmations and are disclosed in note below.

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	43.36	0.31
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	3.56	0.26
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	328.24	53.69

Note-10 OTHER CURRENT LIABILITIES

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Current maturities of long-term debts (Refer Note No.4)	7,398.20	26,041.67
Interest accrued but not due on borrowings	758.37	1,263.96
Advances from customers	2,494.87	1,237.22
Unclaimed dividend (#)	792.87	496.45
Other payables (*)	5,850.51	3,954.62
Due to directors	757.91	714.71
Security deposits	2,710.20	2,288.77
Statutory liabilities	1,078.76	536.63
Creditors for capital goods	3,382.57	1,498.13
Total	**25,224.26**	**38,032.16**

(#) ₹ 40.22 Lacs (₹ 34.89 Lacs) transferred to the Investor Education and Protection Fund during the year.

(*) Other payables includes ₹ 1,765.60 Lacs (₹ 1,191.65 Lacs) related to employees and ₹ 2,875.08 Lacs (₹ 2,089.05 Lacs) related to sales and marketing expenses.

Note-11 TANGIBLE ASSETS

(₹ in Lacs)

Description		Land (Freehold)	Land (Leasehold)	Building	Plant & Equipment	Electric Installation	Furniture & Fixtures	Office Equipments	Laboratory Equipments	Vehicles	Total
Gross block as at 1st April, 2014		**9,240.68**	**1,614.52**	**40,189.15**	**1,67,394.84**	**4,033.18**	**1,294.86**	**1,908.24**	**709.32**	**1,801.40**	**2,28,186.19**
Additions		–	–	1,218.49	5,286.37	336.90	504.26	376.36	0.20	390.08	**8,112.66**
Disposals		–	–	0.50	416.46	18.88	5.72	268.00	1.93	141.79	**853.28**
Other adjustments											
- Exchange difference		–	–	–	504.19	–	–	–	–	–	**504.19**
Gross Block as at 1st April, 2015		**9,240.68**	**1,614.52**	**41,407.14**	**1,72,768.94**	**4,351.20**	**1,793.40**	**2,016.60**	**707.59**	**2,049.69**	**2,35,949.76**
Additions		–	–	358.41	5,220.59	23.44	79.39	245.46	–	550.21	**6,477.50**
Disposals		–	–	102.78	2,586.44	–	56.64	39.31	–	210.37	**2,995.54**
Other adjustments											
- Exchange differences		–	–	–	786.95	–	–	–	–	–	**786.95**
Gross Block as at 31st March, 2016	**(A)**	**9,240.68**	**1,614.52**	**41,662.77**	**1,76,190.04**	**4,374.64**	**1,816.15**	**2,222.75**	**707.59**	**2,389.53**	**2,40,218.67**
Accumulated depreciation on 1st April, 2014		**–**	**182.31**	**5,661.39**	**79,879.39**	**1,303.31**	**708.01**	**1,341.90**	**264.08**	**885.63**	**90,226.02**
Adjusted against surplus in profit and loss		–	–	490.55	67.04	–	1.74	26.29	–	–	**585.62**
Deduction/adjustments		–	–	0.51	313.01	12.31	5.20	266.73	0.10	111.80	**709.66**
Depreciation during the year (Refer Note 28)		–	20.23	1,709.35	8,329.93	457.70	110.32	261.13	105.77	399.44	**11,393.87**
Accumulated depreciation on 1st April, 2015		**–**	**202.54**	**7,860.78**	**87,963.35**	**1,748.70**	**814.87**	**1,362.59**	**369.75**	**1,173.27**	**1,01,495.85**
Deduction/adjustments		–	–	31.49	969.56	–	56.57	36.90	–	143.63	**1,238.15**
Depreciation during the year (Refer Note 28)		–	20.23	1,608.80	8,475.18	477.96	157.83	239.80	101.60	408.11	**11,489.51**
Accumulated depreciation on 31st March, 2016	**(B)**	**–**	**222.77**	**9,438.09**	**95,468.97**	**2,226.66**	**916.13**	**1,565.49**	**471.35**	**1,437.75**	**1,11,747.21**
Net carrying amount as on 31st March, 2016	**(A-B)**	**9,240.68**	**1,391.75**	**32,224.68**	**80,721.07**	**2,147.98**	**900.02**	**657.26**	**236.24**	**951.78**	**1,28,471.46**
Net carrying amount as on 31st March, 2015		**9,240.68**	**1,411.98**	**33,546.36**	**84,805.59**	**2,602.50**	**978.53**	**654.01**	**337.84**	**876.42**	**1,34,453.91**

Note-12 INTANGIBLE ASSETS

(₹ in Lacs)

Description		Computer Software	Technical Know how/ Engineering Fee	License/ Franchise fees	Upfront fees/ Way leave charges	Design	Total
Gross block as at 1st April 2014		**631.81**	**142.26**	**1,085.78**	**511.37**	**5.96**	**2,377.18**
Additions		0.34	–	92.82	–	–	**93.16**
Disposals		–	–	–	–	–	**–**
Gross block as at 1st April, 2015		**632.15**	**142.26**	**1,178.60**	**511.37**	**5.96**	**2,470.34**
Addition		32.84	–	75.41	–	–	**108.25**
Disposal							
Gross block as at 31st March, 2016	**(A)**	**664.99**	**142.26**	**1,254.01**	**511.37**	**5.96**	**2,578.59**
Accumulated amortisation on 1st April, 2014		**547.63**	**142.23**	**682.64**	**147.93**	**5.96**	**1,526.39**
Deduction/adjustments		–	–	–	–	–	**–**
Amortisation during the year		32.55	–	272.46	31.90	-	**336.91**
Accumulated amortisation on 1st April, 2015		**580.18**	**142.23**	**955.10**	**179.83**	**5.96**	**1,863.30**
Deductions/adjustments		–	–	–	–	–	**–**
Depreciation during the year (Refer Note 28)		23.21	–	190.98	31.90	–	**246.09**
Accumulated amortisation on 31st March, 2016	**(B)**	**603.39**	**142.23**	**1,146.08**	**211.73**	**5.96**	**2,109.39**
Net carrying amount as on 31st March, 2016	**(A - B)**	**61.60**	**0.03**	**107.93**	**299.64**	**–**	**469.20**
Net carrying amount as on 31st March, 2015		**51.97**	**0.03**	**223.50**	**331.54**	**–**	**607.04**

1. Cost of 'Freehold land includes: .
   a. ₹ 3,600 Lacs (₹ 3,600 Lacs) represented by 24,000 Equity Shares of ₹ 10/- each in a company, which is the legal owner of the land in respect of which the Company has acquired exclusive rights of development.
   b. ₹ 2,442.54 Lacs (₹ 2,442.54 Lacs) represented by 1,41,764 Equity Shares (1,41,764) of ₹ 10/- each in the said company, which is the legal owner of the land on which the Company has been granted the rights of use and occupation by virtue of the shares so held.
2. Buildings include a sum of ₹ 11,398.32 Lacs (₹ 11,398.32 Lacs) represented by 38,236 (38,236) Equity Shares of ₹ 10/- each in a company which is the legal owner of the buildings in respect of which the Company has an exclusive right of use and occupation by virtue of the shares so held.
3. The above equity shares so held do not really represent financial investments implicitly but rather the means to acquire and hold the properties for use in Company's operations. Accordingly the cost of acquisition of the shares is treated as cost of fixed assets and is dealt with in accordance with Accounting Standard - 10 on "Fixed Assets".
4. Gross Block of Plant and Machinery includes ₹ 11,240.90 Lacs (₹ 10,453.95 Lacs) towards foreign exchange fluctuations on Long-Term Loans .
5. Impairment of Assets: In case there are any indicators of impairment, the Company examines carrying cost of its identified Cash Generating Units (CGU) by comparing present value of estimated future cash flows from such CGUs, in terms of Accounting Standard-28 on Impairment of Assets. Accordingly to which no provision for impairment is required as assets of none of CGUs are impaired during the financial year ended 31st March, 2016.

Note-13 CAPITAL WORK-IN-PROGRESS

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Projects #	36,081.02	13,572.97
Others	3,423.66	483.59
Total	**39,504.68**	**14,056.56**

Includes borrowing cost of ₹ 1,873.63 Lacs (₹ 259.47 Lacs)

Note-14 NON-CURRENT INVESTMENTS (AT COST):

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Trade investments (Unquoted)		
Investments in Subsidiaries (Fully paid up)		
9,99,994 (9,99,994) Equity Shares of ₹ 10 each of Smartchem Technology Limited (Wholly owned)	6,379.90	6,379.90
1,60,000 (1,60,000) Equity Shares of AUD 1 each of Deepak Nitrochem Pty. Limited	54.20	54.20
Less: Provision for Diminution in Value	(34.56)	(34.56)
	19.64	19.64
9,998 (9,998) Equity Shares of ₹ 10 each of Deepak Mining Services Private Limited	1.00	1.00
49,993 (49,993) Equity shares of ₹ 10 each of SCM Soilfert Limited	5.00	5.00
43,350 (43,350) Equity shares of ₹ 10 each of SCM Fertichem Limited	4.34	4.34
	6,409.88	**6,409.88**
Investment in Jointly controlled entity:		
Desai Fruit and Vegetables Private Limited	**4,329.91**	**4,329.91**
50,81,363 (50,81,363)Equity Share of face value of ₹ 10 each, fully paid up		
Investments in Associates (Fully paid up)		
49,994 (49,994) Equity Shares of ₹ 10 each of Ishanya Realty Corporation Limited	5.00	5.00
49,994 (49,994) Equity Shares of ₹ 10 each of Ishanya Brand Service Limited	5.00	5.00
4000 (Nil) Equity Shares of ₹ 10 each in Mumbai Modern Terminal Market Complex Private Limited	0.40	–
	10.40	**10.00**
Investments in Others (Fully paid-up)		
88,448 (88,448) Shares of Sterling Pound 1 each of Deepak International Limited	68.69	68.69
Total	**10,818.88**	**10,818.48**

	As at 31st March, 2016	As at 31st March, 2015
Aggregate amount of quoted Investments	–	–
Market value of quoted Investments	–	–
Aggregate amount of unquoted Investments	10,818.88	10,818.48

Note-15 LOANS AND ADVANCES (Unsecured, considered good unless otherwise stated) (₹ in Lacs)

	Long-term		Short-term	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Capital advances	7,737.84	3,254.66	–	–
Security deposits	1,947.45	1,901.28	–	–
Balance with Central Excise and Customs	378.55	590.33	2,627.09	1,813.01
Loans and advances -related parties #	200.00	200.00	3,331.00	7,999.88
Advances recoverable in cash or kind or for value to be received				
- Advances/loans to employees	–	–	97.01	289.31
- Advances to suppliers	–	–	2,847.85	3,684.03
- Others @	–	–	4,509.95	4,872.28
- Prepaid expenses	62.30	84.76	1,262.65	1,699.83
Advance payments of taxes (net)	–	–	–	612.81
Total	**10,326.14**	**6,031.03**	**14,675.55**	**20,971.15**

Loans and advances- Related parties and officer (₹ in Lacs)

	Long-term		Short-term	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Security deposit placed with Chairman and Managing Director towards lease of residential premises.	200.00	200.00	–	–
Loan to Deepak Mining Services Private Limited	–	–	21.00	25.00
Loan to Smartchem Technologies Limited	–	–	3,310.00	2,380.00
Loan/Advance to SCM Soilfert Limited	–	–	–	5,594.88
Total	**200.00**	**200.00**	**3,331.00**	**7,999.88**

@ Other advances include VAT/Sales Tax receivable of ₹ 3,514.94 Lacs (₹ 3,779.48 Lacs) and Duty Drawback Receivable of ₹ 49.81 Lacs (₹ 219.77 Lacs).

Note-16 CURRENT INVESTMENTS (at lower of cost and fair value) (₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Unquoted bonds/Securities (Non-trade)		
Investments in Subsidiaries (Fully paid-up)		
Nil (18,00,00,000) 1% Debentures of ₹ 10 each wholly owned Subsidiary SCM Soilfert Limited (Refer Note 53)	–	18,000.00
Quoted bonds/Securities (Non-trade)		
Investment in Debt Securities (@)	1,674.66	243.40
Investment in Government Securities (#)	1,081.50	1,081.50
Less: Provision for diminution in value	(38.39)	–
Total	**2,717.77**	**19,324.90**

@ Investment in Debt Securities

Name of Securities	31st March, 2016				31st March, 2015			
	No. of Units	Face Value (₹ in Lacs)	COST (₹ in Lacs)	Market Value (₹ in Lacs)	No. of Units	Face Value (₹ in Lacs)	COST (₹ in Lacs)	Market Value (₹ in Lacs)
9.72% TANGENDCO BONDS 16/07/2024	–	–	–	–	4	10	40.20	40.90
11% BANK OF INDIA PERPETUAL BONDS (TIER I - BASEL III) (Int date 08/08/)	–	–	–	–	3	10	30.76	32.57
11.50% IL&FS TRANSPORTATION NETWORKS LTD. 21/06/2024	–	–	–	–	3	10	30.08	30.19
9.84% Air India NCD 27/09/2026	118	10	1,305.76	1,277.11	13	10	142.36	143.27
9.38% MTNL BONDS 05/12/2023	34	10	368.90	357.95	–	–	–	–
Total			**1,674.66**	**1,635.06**			**243.40**	**246.93**

(#) Investment in Government Securities

Name of Securities	31st March, 2016				31st March, 2015			
	No. of Units	Face Value (₹ in Lacs)	Cost (₹ in Lacs)	Market Value (₹ in Lacs)	No. of Units	Face Value (₹ in Lacs)	Cost (₹ in Lacs)	Market Value (₹ in Lacs)
8.97% GOI 05/12/2030	10	10	1,081.50	1,082.70	10	10	1,081.50	1,097.10
Total			**1,081.50**	**1,082.70**			**1,081.50**	**1,097.10**

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Aggregate cost of quoted investments	2,756.16	1,324.90
Market value of quoted investments	2,717.76	1,344.03
Aggregate Amount of Unquoted Investment	–	18,000.00

Note-17 INVENTORIES (Valued at lower of cost and net realisable value)

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Raw materials - ₹ 92.03 Lacs (₹ 37.52 Lacs) in transit	9,843.20	10,508.29
Packing materials - ₹ 15.39 Lacs (₹ 16.62 Lacs) in transit	1,588.98	1,063.59
Finished goods	4,945.52	5,312.56
Stock-in-trade - ₹ 13,532.82 Lacs (₹ 1,337.96 Lacs) in transit	33,400.97	15,686.39
Stores and spares - ₹ 271.31 Lacs (₹ 17.54 Lacs) in transit	10,027.39	7,725.11
Total	**59,806.06**	**40,295.94**

Note-18 TRADE RECEIVABLES (Unsecured considered good unless stated otherwise) (₹ in Lacs)

	Current	
	As at 31st March, 2016	As at 31st March, 2015
Outstanding for a period exceeding six months:		
Considered good	55,961.30	27,914.19
Considered doubtful	381.33	129.40
	56,342.63	**28,043.59**
Less: Provision for doubtful debts	(381.33)	(129.40)
	55,961.30	**27,914.19**
Others	91,901.47	65,611.08
Total	**1,47,862.77**	**93,525.27**

Sundry debtors includes ₹ 79,476.73 Lacs (₹ 33,498.73 Lacs) towards fertiliser subsidy receivable from the Government of India.

Sundry debtors are net of realisation of ₹ 24,250.34 Lacs (₹ 17,213.03 Lacs) from short-term finance facility provided by a bank to the Company's fertiliser dealers.

Note-19 CASH AND BANK BALANCES (₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Cash and cash equivalents:		
Cash on hand	14.45	9.21
Cheques on hand	300.09	1,719.33
Balance in current account with banks	4,844.15	1,611.18
Short-Term deposit with banks (less than 3 months)	15,020.20	–
	20,178.89	**3,339.72**
Other bank balances:		
On unpaid dividend (Earmarked balances)	792.50	496.45
Total	**20,971.39**	**3,836.17**

Note-20 OTHER ASSETS (₹ in Lacs)

	Non-Current		Current	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Interest income accrued on deposits and others	–	–	673.31	741.56
Derivative contracts receivable/(payable)	–	195.19	(18.21)	889.04
Balances with banks (*)	1,159.23	625.14	–	–
Total	**1,159.23**	**820.33**	**655.10**	**1,630.60**

* ₹ 1,159.23 Lacs (₹ 624.94 Lacs) kept as fixed deposit with Bank of Baroda, London, as a lien for ECBs and ₹ Nil (0.20 Lacs) with Sales Tax Authorities.

Notes-21 REVENUE FROM OPERATIONS

(₹ in Lacs)

			Year ended 31st March, 2016	Year ended 31st March, 2015
A.	**Sale of products**			
	Finished goods		2,36,222.19	2,18,558.91
	Less: Excise duty		22,542.00	21,768.68
			2,13,680.19	**1,96,790.23**
	Stock-in-trade		1,59,758.96	1,53,205.64
	Subsidy on manufactured fertilisers		15,706.34	4,304.34
	Subsidy on traded fertilisers		34,084.75	14,057.83
	Total Sales		**4,23,230.24**	**3,68,358.04**
	Revenue from realty business		587.62	543.78
	Less: Service tax		66.10	53.87
			521.52	**489.91**
	Other operating revenues		2,354.55	2,526.07
	Less: Service tax		234.06	197.39
			2,120.49	**2,328.68**
	Revenue from operations (Net)		**4,25,872.25**	**3,71,176.63**
B.	**Details of Sales of goods**			
	Finished goods			
	Iso propyl alcohol		41,990.50	63,870.76
	Nitrophosphate		47,790.29	11,932.72
	Technical ammonium nitrate		92,916.76	80,712.90
	Nitric acid		36,071.84	29,477.00
	Others		10,617.13	15,101.20
	Total	**(A)**	**2,29,386.52**	**2,01,094.58**
	Stock-in-trade			
	Bulk Fertilisers		92,033.85	58,388.32
	Speciality Fertilisers		17,573.88	19,245.63
	Bulk Chemicals		79,803.04	78,834.65
	Others		4,432.95	10,794.86
	Total	**(B)**	**1,93,843.72**	**1,67,263.46**
		(A + B)	**4,23,230.24**	**3,68,358.04**

Note: Above figures includes subsidies on manufactured and traded fertilisers.

Notes-22 OTHER INCOME

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Interest on term deposits with banks	62.08	36.00
Other Interest income	366.04	960.03
Income from non-current investments:		
Interest income on Debentures	233.13	471.44
Dividend		
Trade investments - Subsidiary Company	3,700.00	955.54
Income from current investments		
Dividend from Mutual fund	0.07	0.35
Profit on sale of current investments in Mutual fund	173.81	463.10
Interest on bond and Government securities	112.62	27.36
Miscellaneous receipts	466.34	914.22
Total	**5,114.09**	**3,828.04**

Notes-23 COST OF MATERIALS CONSUMED

(₹ in Lacs)

Raw Material Consumed	Year ended 31st March, 2016	Year ended 31st March, 2015
Ammonia	47,404.24	49,220.49
Natural gas	46,021.24	35,621.44
Propylene	28,696.45	43,378.57
Phosphoric acid	21,666.10	4,129.02
Sulphur	1,599.63	2,291.33
0thers	1,681.51	934.38
	1,47,069.17	**1,35,575.23**
Packing material consumed	**3,729.20**	**3,889.21**
Total	**1,50,798.37**	**1,39,464.44**

Note: Raw material consumption figures is derived from purchases and stock variations. Wastages if any is within the tolerable limit and included in above amounts.

Notes-24 PURCHASE OF STOCK-IN-TRADE

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Bulk Fertilisers	95,644.16	56,189.04
Speciality Fertilisers	12,569.34	16,099.33
Bulk Chemicals	83,700.97	78,773.98
Others	4,981.67	8,517.78
Total	**1,96,896.14**	**1,59,580.13**

Notes-25 CHANGE IN INVENTORY OF FINISHED GOODS AND STOCK-IN-TRADE

(₹ in Lacs)

		Year ended 31st March, 2016	Year ended 31st March, 2015
(Increase)/decrease in Inventory:			
Inventories at the end of the year			
Finished goods		4,945.52	5,312.56
Stock-in-trade		33,400.97	15,686.39
	(A)	**38,346.49**	**20,998.95**
Inventories at the beginning of the year			
Finished goods		5,312.56	5,695.14
Stocks-in-trade		15,686.39	8,214.92
	(B)	**20,998.95**	**13,910.06**
(Increase)/decrease in excise duty on stock of finished goods	**(C)**	**98.09**	**167.70**
Total	**(B - A - C)**	**(17,445.63)**	**(7,256.59)**

Notes-26 EMPLOYEE BENEFITS EXPENSES

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Salary and wages	14,493.31	11,968.50
Contribution to provident and other funds	1,578.34	1,484.85
Staff welfare	865.92	814.78
Total	**16,937.57**	**14,268.13**

Notes-27 FINANCE COSTS

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Interest on fixed loans	2,668.22	5,611.56
Interest - Others #	9,655.80	5,167.05
Other financial charges	323.89	232.10
Total	**12,647.91**	**11,010.71**

Exchange difference to the extent considered as an adjustment to borrowing cost ₹ 2,600.10 Lacs (₹ 1,324.86 Lacs) excluding amount capitalised ₹ 1,873.63 Lacs (₹ 259.47 Lacs).

Notes-28 DEPRECIATION, AMORTISATION AND IMPAIRMENT EXPENSES

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Depreciation of tangible assets	11,489.51	11,393.87
Amortisation of intangible assets	246.09	336.91
Total	**11,735.60**	**11,730.78**

During the previous year, the Company had provided depreciation over estimated useful lives of assets as prescribed in Schedule - II of the Companies Act, 2013, or as assessed by the management based on technical evaluation. This had resulted in an additional charge of depreciation amounting to ₹ 1,060.37 Lacs for the year ended 31st March, 2015. The written down value of asset of ₹ 359.17 Lacs as on 1st April, 2014 (net of deferred tax of ₹ 226.45 Lacs) whose residual life was exhausted, had been adjusted against retained earnings.

Notes-29 OTHER EXPENSES

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Power, fuel and water	3,545.66	2,392.98
Stores, spares, oils, chemicals and catalysts consumed	3,953.55	2,929.73
Repairs to:		
- Buildings	417.84	609.40
- Plant and machinery	3,252.77	2,935.58
- Others	776.00	763.95
	4,446.61	**4,308.93**
Insurance	1,353.22	1,592.52
Rent	1,647.82	1,041.20
Rates, taxes and duties	1,222.33	934.23
Directors' sitting fees	28.61	10.70
Auditors' remuneration	52.81	51.11
Carriage outward (net)	15,315.76	12,539.09
Cash discounts	556.17	415.45
Provision for diminution in value of investments		
- Current investments	38.39	–
- Non-current investments	–	(736.70)
Foreign exchange fluctuations(Net) @	2,216.75	3,348.70
Loss on sale of fixed assets	106.62	74.57
Commission on sales	530.68	333.81
Legal and professional fees	2,047.81	1,842.63
Sales promotion expenses	1,006.78	970.57
Donation (#)	167.86	148.10
CSR expenses (Refer Note 43)	0.03	2.50
Travelling and conveyance	764.18	844.70
Utility services	826.82	755.50
Communication expenses	293.24	322.63
Miscellaneous expenses	2,354.54	1,226.92
Total	**42,476.24**	**35,349.87**

(@) Foreign exchange fluctuation expenses includes premium on foreign currency derivative contracts of ₹ 2,841.92 Lacs (3,519.93 Lacs).

(#) Includes donation to Chief minister's drought relief fund ₹ 5.00 Lacs (Nil) and to a political party, Bhartiya Janta Party ₹ Nil (₹ 50 Lacs).

Notes-30 EARNINGS PER SHARE

(₹ in Lacs)

	31st March, 2016	31st March, 2015
Profit after tax (₹ in lacs)	12,113.39	7,835.15
Average number of Equity Shares of ₹ 10 each	88,204,943	88,204,943
Basic and diluted earnings per Share	13.73	8.88
Face value per Equity Share	10.00	10.00

Notes-31 DETAILS OF PAYMENTS TO AUDITOR

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
As Auditor		
- Audit fees	37.00	33.95
- Tax audit	5.00	4.50
	42.00	**38.45**
Other capacity		
- Certifications	7.45	10.31
- Taxation matters	0.50	1.60
- Reimbursement of expenses	2.86	0.75
Total	**52.81**	**51.11**

Note-32 GRATUITY AND OTHER POST RETIREMENT BENEFIT PLANS

Particulars	Gratuity benefits (Funded)		Compensated absences		Post retirement benefits	
	31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015
Components of employer expenses						
Current service costs	367.54	353.40	190.43	176.33	66.61	61.68
Interest cost	313.94	307.13	127.74	123.84	21.83	18.06
Expected return on Plan assets	(209.51)	(193.04)	–	–	–	–
Actuarial losses/(gains)	27.34	19.05	251.42	56.44	(38.37)	(14.28)
Total expenses/(income) recognised in the Statement of Profit and loss	**499.31**	**486.54**	**569.59**	**356.61**	**50.07**	**65.46**
Actual contributions and benefits paid during the year						
Actual benefits paid	209.55	297.16	240.83	192.84	9.10	1.14
Actual contributions	573.69	319.83	–	–	–	–
	783.24	**616.99**	**240.83**	**192.84**	**9.10**	**1.14**
Net asset/(liability) recognised in the Balance Sheet as on 31st March, 2016						
Present Value of Defined benefit obligations	(4,556.55)	(4,029.04)	(2,045.94)	(1,717.18)	(318.33)	(277.36)
Fair value of Plan assets	2,884.63	2,282.74	–	–	–	–
Net asset/(liability) recognised in the Balance Sheet	**(1,671.92)**	**(1,746.30)**	**(2,045.94)**	**(1,717.18)**	**(318.33)**	**(277.36)**
Change in Defined benefit obligations during the year ended 31st March, 2016						
Present Value of DBO at beginning of year	4,029.04	3,761.91	1,717.18	1,553.41	277.36	213.04
Current Service costs	367.54	353.40	190.43	176.33	66.61	61.68
Interest cost	313.94	307.13	127.74	123.84	21.83	18.06
Actuarial (gains)/losses	55.58	(96.24)	251.42	56.44	(38.37)	(14.28)
Benefits paid	(209.55)	(297.16)	(240.83)	(192.84)	(9.10)	(1.14)
Present Value of Defined benefit obligations	**4,556.55**	**4,029.04**	**2,045.94**	**1,717.18**	**318.33**	**277.36**
Change in Fair Value of plan Assets during the year ended 31st March, 2016						
Plan assets at beginning of year	2,282.74	2,182.32	–	–	–	–
Actual return on Plan assets	209.51	193.04	–	–	–	–
Contributions	573.69	319.83	–	–	–	–
Actuarial gains/(losses) on Plan assets	28.24	(115.29)	–	–	–	–
Benefits paid	(209.55)	(297.16)	–	–	–	–
Plan assets at the end of year	**2,884.63**	**2,282.74**	**–**	**–**	**–**	**–**
Actuarial Assumptions						
Discount Rate	**7.80%**	**8.00%**	**7.80%**	**8.00%**	**7.80%**	**8.00%**
Expected Return on Plan assets	**8.50%**	**8.80%**	**–**	**–**	**–**	**–**
Salary escalation	**5.00%**	**5.00%**	**5.00%**	**5.00%**	**5.00%**	**5.00%**

The planned asset is represented by investment made under the Group Gratuity Scheme operated by Life Insurance Corporation of India.

Experience adjustments for Gratuity Benefits

Experience adjustments	Gratuity Benefits				
	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012
Defined benefit obligations	(4,556.55)	(4,029.04)	(3,761.91)	(3,242.52)	(2,440.17)
Plan Assets	2,884.63	2,282.74	2,182.32	2,139.48	1,830.52
Surplus/(Deficit)	(1,671.92)	(1,746.30)	(1,579.59)	(1,103.04)	(609.65)
Experience adjustments on Plan liabilities - Gain/(Loss)	(2.04)	216.25	(549.33)	(367.59)	181.04
Experience adjustments on Plan assets - Gain/(Loss)	35.63	(102.13)	96.48	11.79	11.26

Experience adjustments for Post retirement benefits:

	Post retirement benefits				
	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012
Defined benefit obligation	(318.33)	(277.36)	(213.04)	(213.88)	(192.81)
Plan assets	–	–	–	–	–
Surplus/(Deficit)	(318.33)	(277.36)	(213.04)	(213.88)	(192.81)
Experience adjustments on Plan liabilities - Gain/(Loss)	54.90	49.41	51.11	60.88	(2.80)
Experience adjustments on Plan assets - Gain/(Loss)	–	–	–	–	–

The expected contribution is based on same assumptions used to measure the Company's Gratuity obligations as of 31st March, 2016. The Company is expected to contribute ₹ 367 Lacs (₹ 350 Lacs) for the year ended 31st March, 2017.

Note-33 The proportionate share of assets, liabilities, revenue and expenditure, contingent liabilities and capital commitments of the Joint Controlled entity is given below as on 31st March, 2016

(₹ in Lacs)

Particulars	Desai Fruit and Vegetables Private Limited	
	31st March, 2016	31st March, 2015
Country of incorporation	India	India
Percentage of ownership interest	49%	49%
Liabilities	785.81	376.48
Assets	1,031.29	776.00
Income	2,785.74	1,893.51
Expenditure	2,284.65	2,010.21
Profit/(Loss) after tax for the year	(157.06)	(120.04)
Contingent liabilities	18.38	18.38
Capital commitments	2.00	5.43

Note-34 RELATED PARTY DISCLOSURES

Name of the related parties and relationship

ASSOCIATES

Ishanya Brand Services Limited

Ishanya Realty Corporation Limited

Mumbai Modern Terminal Market Complex Private Limited (From 11th June, 2015)

SUBSIDIARIES

Smartchem Technologies Limited (STL)

Deepak Nitrochem Pty. Limited

Deepak Mining Services Private Limited (DMSPL)

Yerrowda Investments Limited

RungePincockMinarco India Private Limited (Subsidiary of DMSPL)

SCM Soilfert Limited

Platinum Blasting Services Pty. Limited (PBS)(Subsidiary of STL)

SCM Fertichem Limited

Australian Mining Explosives Pty. Ltd. (AME)(Subsidiary of PBS) (From 1st February, 2016)

JOINTLY CONTROLLED ENTITY

Desai Fruits and Vegetables Private Limited

KEY MANAGEMENT PERSONNEL

Shri S.C. Mehta

Shri Partha Bhattacharyya (upto 21st January, 2016)

Shri Somnath Patil (upto 21st January, 2016)

Shri Vipin Agarwal (from 22nd January, 2016)

Shri Tushar Dey (Up to 16th September, 2015)

Shri Mandar Velankar (From 14th March, 2016)

RELATIVES OF KEY MANAGEMENT PERSONNEL

Shri Yeshil Mehta (From 22nd January, 2016)

ENTERPRISES OVER WHICH KEY MANAGERIAL PERSONNEL ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE:

Blue Shell Investments Private Limited

Nova Synthetic Limited

The Lakaki Works Private Limited

Superpose Credits and Capital Private Limited

Storewell Credits and Capital Private Limited

High Tide Investments Private Limited

Deepak Asset Reconstruction Private Limited

Mahadhan Investment and Finance Private Limited

Ishanya Foundation

Deepak Foundation

ENTERPRISES OVER WHICH RELATIVES ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE:

Deepak Nitrite Limited

Note-35(A) RELATED PARTY TRANSACTIONS

(₹ in Lacs)

Nature of Transactions	Year ended 31st March, 2016						Year ended 31st March, 2015					
	Subsidiaries	Jointly Controlled Entity	Key Management Personnel	Entities under Significant Influence (*)	Relatives of Key Management Personnel	Total	Subsidiaries	Jointly Controlled Entity	Key Management Personnel	Entities under Significant Influence	Relatives of Key Management Personnel	Total
Sale of goods	5.84	–	–	6,623.59	–	**6,629.43**	306.31	–	–	6,257.05	–	**6,563.36**
Purchase of goods	–	–	–		–	**–**	(95.49)	–	–		–	**(95.49)**
Donation given	–	–	–	(149.00)	–	**(149.00)**	–	–	–	(80.50)	–	**(80.50)**
Rendering of services / Reimbursement of expenses	286.05	0.80	–	7.21	–	**294.06**	1,237.08	0.36	–	7.94	–	**1,245.38**
Receiving of services / Reimbursement of expenses	(92.39)	–	(1,453.86)	–	(4.42)	**(1,550.67)**	(106.07)	–	(1,349.54)	(0.41)	–	**(1,456.02)**
Leasing or hire purchase arrangements	–	–	(24.00)	9.19	–	**(14.81)**	–	–	(9.00)	8.09	–	**(0.91)**
Purchase of Equity Shares	–	–	–	–	–	**–**	–	(424.77)	(2.17)	–	–	**(426.94)**
Interest on Investment in Debentures	20.47	–	–	–	–	**20.47**	180.00	–		–	–	**180.00**
Redemption-Debentures Investment	18,000.00	–	–	–	–	**18,000.00**	–	–	–	–	–	**–**
Purchase of DEPB licenses	–	(105.93)	–	–	–	**(105.93)**	–	(51.95)	–	–	–	**(51.95)**
Dividend received	3,700.00	–	–	–	–	**3,700.00**	955.54	–	–	–	–	**955.54**
Dividend paid	–	–	(1,915.61)	(1,667.62)	–	**(3,583.23)**	–	–	(1,259.79)	(1,204.40)	–	**(2,464.19)**
Interest on Loan/Advances	277.83	–	–	–	–	**277.83**	354.16	4.59	–	–	–	**358.75**
Loans & Advances given	(930.00)	–	–	–	–	**(930.00)**	(7,402.89)	–	–	–	–	**(7,402.89)**
Loans & Advances repaid	5,006.89	–	–	–	–	**5,006.89**	–	–	–	–	–	**–**
Balance Receivable/(Payable)												
Loans & Advances	3,310.00	–	–	–		**3,310.00**	7,402.89	–	–	–	–	**7,402.89**
Other receivable/(payable)	300.73	(0.17)	(467.59)	1,067.18	–	**900.15**	9,143.23	0.11	(429.39)	803.41	–	**9,517.36**
Investment in Debentures	–	–	–	–	–	**–**	18,000.00	–	–	–	–	**18,000.00**

Note : Figures in bracket are outflows.

(*) Includes transaction with enterprises over which relatives are able to exercise significant influence

Note-35(B) DETAILS OF THE TRANSACTIONS OF THE RELATED PARTIES EXCEEDING 10% OF THE TRANSACTION VALUE:

(₹ in Lacs)

Nature of Transactions	Year ended 31st March, 2016						Year ended 31st March, 2015					
	Subsidiaries	Jointly Controlled Entity	Key Management Personnel	Entities under significant influence (*)	Relatives of Key Management Personnel	Total	Subsidiaries	Jointly Controlled Entity	Key Management Personnel	Entities under significant influence (*)	Relatives of Key Management Personnel	Total
Sale of Goods												
Smartchem Technologies Limited	–	–	–	–	–	**–**	240.61	–	–	–	–	**240.61**
Platinum Blasting Service Private Limited	5.84	–	–	–	–	**5.84**	–	–	–	6,257.05	–	**6,257.05**
Deepak Nitrite Limited				6,623.59		**6,623.59**	–	–	–	–	–	**–**
Purchase of Goods												
SCM Soilfert Ltd.	–	–	–	–	–	**–**	(95.49)	–	–	–	–	**(95.49)**
Interest income on Investment in Debentures												
SCM Soilfert Limited	20.47	–	–	–	–	**20.47**	180.00	–	–	–	–	**180.00**
Interest on Loan												
SCM Soilfert Limited	26.74	–	–	–	–	**26.74**	291.54	–	–	–	–	**291.54**
Smartchem Technologies Limited	249.36	–	–	–	–	**249.36**	62.59	–	–	–	–	**62.59**
Redemption of Redeemable Debenture												
SCM Soilfert Limited	18,000.00	–	–	–	–	**18,000.00**	–	–	–	–	–	**–**
Rendering of Services/Reimbursement of Expenses												
Smartchem Technologies Limited	229.12	–	–	–	–	**229.12**	571.19	–	–	–	–	**571.19**
SCM Soilfert Limited	12.20	–	–	–	–	**12.20**	214.78	–	–	–	–	**214.78**
SCM Soilfert Limited	–	–	–	–	–	**–**	439.33	–	–	–	–	**439.33**
Desai Fruits and Vegetables Private Limited	–	0.80	–	–	–	**0.80**	–	0.36	–	–	–	**0.36**
Ishanya Foundation	–	–	–	7.21	–	**7.21**	–	–	–	7.94	–	**7.94**

Note-35(B) DETAILS OF THE TRANSACTIONS OF THE RELATED PARTIES EXCEEDING 10% OF THE TRANSACTION VALUE:

(₹ in Lacs)

Nature of Transactions	Year ended 31st March, 2016						Year ended 31st March, 2015					
	Subsidiaries	Jointly Controlled Entity	Key Management Personnel	Entities under significant influence (*)	Relatives of Key Management Personnel	Total	Subsidiaries	Jointly Controlled Entity	Key Management Personnel	Entities under significant influence (*)	Relatives of Key Management Personnel	Total
Receiving of Services/Reimbursement of Expenses												
Yerrowda Investments Limited	(91.36)	–	–	–	–	**(91.36)**	(106.07)	–	–	–	–	**(106.07)**
Shri S.C. Mehta (Remuneration)/ (Commission)	–	–	(933.84)	–	–	**(933.84)**	–	–	(851.10)	–	–	**(851.10)**
Shri Partha Bhattacharyya (Remuneration/commission)	–	–	(315.92)	–	–	**(315.92)**	–	–	(255.85)	–	–	**(255.85)**
Shri Somnath Patil (Remuneration)	–	–	(145.50)	–	–	**(145.50)**	–	–	(181.62)	–	–	**(181.62)**
Shri Vipin Agarwal (Remuneration + Perks)	–	–	(22.30)	–	–	**(22.30)**	–	–	–	–	–	**–**
Shri Tushar Dey (Remuneration)	–	–	(35.19)	–	–	**(35.19)**	–	–	(60.97)	–	–	**(60.97)**
Shri Mandar Velankar (Remuneration + Perks)	–	–	(1.11)	–	–	**(1.11)**	–	–	–	–	–	**–**
Shri Yeshil Mehta	–	–	–	–	(4.42)	**(4.42)**	–	–	–	–	–	**–**
Leasing or Hire Purchase arrangements	–											
Deepak Nitrite Ltd.	–	–	–	9.19	–	**9.19**	–	–	–	8.09	–	**8.09**
Shri S.C. Mehta	–	–	(24.00)	–	–	**(24.00)**	–	–	(9.00)	–	–	**(9.00)**
Purchase of DEPB License												
Desai Fruits and Vegetables Private Limited	–	(105.93)	–	–	–	**(105.93)**	–	(51.95)	–	–	–	**(51.95)**
Purchase of Equity Shares												
Shri S.C. Mehta (Shares of SCM Fertichem Limited)	–	–	–	–	–	**–**	–	–	(2.17)	–	–	**(2.17)**
Desai Fruits and Vegetables Private Limited	–	–	–	–	–	**–**	–	(294.07)	–	–	–	**(294.07)**
Desai Fruits and Vegetables Private Limited	–	–	–	–	–	**–**		(130.70)	–	–	–	**(130.70)**
Loans and Advances												
Smartchem Technologies Limited (Loan given)	(930.00)	–	–	–	–	**(930.00)**	(2,380.00)	–	–	–	–	**(2,380.00)**
SCM Soilfert Limited (Loan repayment)	5,002.89	–	–	–	–	**5,002.89**	(5,002.89)	–	–	–	–	**(5,002.89)**
Donation Given	–	–	–	–	–	**–**	–	–	–	–	–	**–**
Ishanya Foundation	–	–	–	(149.00)		**(149.00)**	–	–	–	(80.50)	–	**(80.50)**
Dividend Received												
Smartchem Technologies limited	100.00	–	–	–	–	**100.00**	250.00	–	–	–	–	**250.00**
SCM Soilfert Ltd.	3,600.00	–	–	–	–	**3,600.00**	705.54	–	–	–	–	**705.54**
Dividend Paid												
Shri S.C. Mehta	–	–	(1,915.60)	–	–	**(1,915.60)**	–	–	(1,259.79)	–	–	**(1,259.79)**
Nova Synthetics Limited	–	–	–	(1,554.04)	–	**(1,554.04)**	–	–	–	(1,122.36)	–	**(1,122.36)**
Balance Receivable/(Payable)												
Smartchem Technologies Limited	3,644.33	–	–	–	–	**3,644.33**	3041.48	–	–	–	–	**3,041.48**
RungePincockMinarco India Private Limited	0.08	–	–	–	–	**0.08**	14.45	–	–	–	–	**14.45**
SCM Soilfert Ltd.	–	–	–	–	–	**–**	5,957.51	–	–	–	–	**5,957.51**
Yerrowda Investments Limited	(75.64)	–	–	–	–	**(75.64)**	24.51	–	–	–	–	**24.51**
Deepak Mining Services Private Limited	37.31	–	–	–	–	**37.31**	39.58	–	–	–	–	**39.58**
Platinum Blasting Serv. Private Limited	4.65	–	–	–	–	**4.65**	65.69	–	–	–	–	**65.69**
Desai Fruits and Vegetables Private Limited	–	(0.17)	–	–	–	**(0.17)**	–	0.11	–	–	–	**0.11**
Deepak Nitrite Limited	–	–	–	1,066.08	–	**1,066.08**	–	–	–	799.67	–	**799.67**
Ishanya Foundation	–	–	–	1.10	–	**1.10**	–	–	–	3.74	–	**3.74**
Shri S.C. Mehta	–	–	(442.59)	–	–	**(442.59)**	–	–	(404.39)	–	–	**(404.39)**
Shri Partha Bhattacharyya	–	–	(25.00)	–	–	**(25.00)**	–	–	(25.00)	–	–	**(25.00)**
Investment in Debentures						**–**	18,000.00	–	–	–	–	**18,000.00**

Note : Figures in bracket are outflows.

(*) Includes transaction with enterprises over which relatives are able to exercise significant influence

Note-36 CAPITAL COMMITMENTS

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Related to Projects	28,106.21	17,841.14
Related to Realty (Projects)	103.74	396.20
Total	**28,209.95**	**18,237.34**

Note-37 CONTINGENT LIABILITIES

a. Liabilities classified and considered contingent

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Claims by Suppliers	3,573.36	4,356.18
Income Tax Demands	3,888.98	3,888.98
Excise/ Service Tax/ Custom Demands *	12,406.93	2,862.87
Sales Tax/ VAT Demands	3,964.22	3,405.27
Bank Guarantees	11,407.17	7,868.27
Penalty levied by Competition commission of India and contested by Company	200.00	200.00
Letter of Credit issued in favour of suppliers	3,665.91	22,335.00

*Includes customs duty amounting to ₹ 9,347.27 Lacs on duty free import of fertiliser during the period 2005-06 to 2009-10. Under the applicable policy of Government on subsidy, any customs duty needs to be reimbursed by Government.

b. (i) Effective 15th May, 2014, domestic gas supply to the Company was arbitrarily stopped pursuant to an order passed by the Ministry of Petroleum and Natural Gas. The Company successfully challenged the same before the Hon'ble Delhi High Court, which by its orders dated 7th July, 2015 (single bench) and 19th October, 2015 directed the Government of India (GOI) to restore the gas supply. Review petition filed by the GOI, challenging the said order, has been rejected by the Court by an order dated 2nd February, 2016. Pursuant to this, GAIL offered to resume gas supply but at higher tariff rate, not matching to the domestic gas prices. As the proposed commercial terms of the offer were not in conformity with the direction of the Honorable Court, the Company has Challenged it before the Court.

(ii) The Department of Fertilisers (DoF), Ministry of Chemicals and Fertilisers, has withheld subsidy of ₹ 79,477 Lacs (net of ₹ 3,516 Lacs released against Bank Guarantee), due to the Company in accordance with applicable Nutrient Based Subsidy (NBS) scheme of GOI, alleging undue gain arising on account of supply of cheap domestic gas. The Company has filed a writ petition before the Hon'ble Bombay High Court, challenging the withholding of subsidy, as being arbitrary and discriminatory. According to the submission made by the (DoF) before the Hon'ble Bombay High Court, formal framework of alleged undue gain is being deliberated and is yet to be notified. The petition is pending before the Court. The Company believes that it has a good case in the matter having regard to the facts and merits of the matter. Accordingly, no provision in the financial statement is considered necessary.

c. The Company has provided Stand by Letter of Credit (SBLC) of Aus $ 37 Lacs during the year to an overseas bank in respect of credit facilities granted by the bank to Platinum Blasting Services Pty. Limited. (Also refer note 40)

Note-38

Exceptional items in previous year represented cost of voluntary separation scheme to employees at Taloja Unit.

Note-39 DISCLOSURE REQUIRED UNDER SECTION 186 (4) OF COMPANIES ACT, 2013

a. Included in loans and advance to related parties is a loan given to a subsidiary the particulars of which are disclosed below as required by Sec 186(4) of Companies Act, 2013.

(₹ in Lacs)

Name of the party	Rate of Interest	Due date and amount payable	31st March, 2016	31st March, 2015	Purpose
SmartChem Technologies Limited	7.13% - 8.32%	Repayable within period of 1 year, upto 31st March, 2017	3,310	2,380	The loan has been granted to the subsidiary for working capital requirements. The loan is repayable on demand.

b. The Company has issued standby letter of credit on behalf of subsidiaries to banks. Details as below:

Particulars	31st March, 2016		31st March, 2015		Purpose
	Foreign currency – AUD (Lacs)	₹ in Lacs	Foreign currency	₹ in Lacs	
Platinum Blasting Services Pty. Ltd (subsidiary of wholly owned subsidiary, Smartchem Technologies Limited)	37	1,850	–	–	Financing for acquisition of Australian Mining Explosives Pty. Limited.
Desai Fruits and Vegetables Private Limited	–	7	–	7	Working capital finance

Note-40 During the year Platinum Blasting Services Pty. Ltd. (a subsidiary of Smartchem Technologies Limited, which in turn is a wholly owned subsidiary of the Company), has acquired entire ownership interest for consideration amounting to ₹ 1,850 Lacs (AUD 37 Lacs) in Australian Mining Explosives Pty. Ltd. (AME), an Australian Company engaged in the business of storage and handling of Technical Ammonium Nitrate.

Note-41 The Company has made significant capital investments in Ishanya Mall. The said Mall has been incurring losses due to larger break-even period associated with the operations of the Mall which is extended due to continuing adverse economic environment since the launch of the Mall in 2007-08. The management of the Company continues to be hopeful of turnaround in performance of the Mall in the coming years due to expected improvements in the economic environment and strategic initiatives being planned in this regard. As in the past the Company has in accordance with the requirements of Accounting Standard 28- "Impairment of Assets", carried out impairment review of carrying value of the assets of the Mall, which has not indicated any impairment in its value.

Note-42 The Company has long-term investment in Desai Fruits and Vegetables Private Limited (JV) which is strategic in nature. During the year ended 31st March, 2014, consequent to losses incurred by JV and substantial erosion of net worth, the Company made provision of ₹ 507.09 Lacs for diminution in value of the investment that was assessed to be other than temporary nature. Due to subsequent improvement in operating performance, as a result of various strategic initiatives taken by the management of JV, the management of the Company reassessed the carrying value of the investment in JV and being of the opinion that diminution in value was of temporary in nature, reversed the said provision in the financial year ended on 31st March, 2015. There is no change in the said assessment of the management as at 31st March, 2016.

Note-43 During the year the Company was required to spend ₹ 392.00 Lacs of which the Company has incurred CSR expenses of ₹ 167.89 Lacs (₹ 83 Lacs), which includes contribution/donation of ₹ 167.86 Lacs (₹ 80.50 Lacs) to a related party, which are engaged in activities eligible under Section 135 of Companies Act, 2013 read with Schedule VII thereto and other expenses of ₹ 0.03 Lacs (₹ 2.50 Lacs) which are directly incurred by the Company.

Note-44 SCHEME OF ARRANGEMENT, AMALGAMATION, RESTRUCTURING ETC.

(a) With a view to paving the way for future growth strategic objective and unlocking the shareholder's value, the Board of Directors of the Company at its meeting held on 29th March, 2016 approved the Scheme of arrangement between Deepak Fertilisers And Petrochemicals Corporation Limited and its wholly owned subsidiaries, SCM Fertichem Limited and Smartchem Technologies Limited ('the Scheme'), under sections 391 to 394 of the Companies Act, 1956. The Scheme provides for the transfer of Fertiliser and TAN undertaking ('the Undertakings') of the Company to SCM Fertichem Limited for a slump exchange consideration of ₹ 74,300 Lacs followed by transfer and vesting of the said Undertakings into Smartchem Technologies Limited by way of de-merger for a consideration to be discharged by issue of one equity share of Smartchem Technologies Limited for every equity share held in SCM Fertichem Limited. The appointed date as per the Scheme is 1st January, 2015.

(b) The Board of Directors of the Company at its meeting held on 5th November, 2015 approved a Scheme of Amalgamation of SCM Soilfert Limited, a wholly owned subsidiary, with the Company. The appointed date as per the Scheme is 1st April, 2015.

Both these Schemes are subject to the sanction of Hon'ble Bombay High Court, other requisite approvals from competent authorities and will be given effect to in the respective financial statements upon receiving the said approvals.

Note-45 The long-term settlement with the Employees Union at Taloja Plant expired on 30th September, 2015. Pending finalisation thereof the Company has made estimated provision for liabilities on this account based on the past experience.

Note-46 EXPENDITURE IN FOREIGN CURRENCY (₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Interest on Loan	1,062.35	1,277.99
Technical fees to Foreign Vendors	38.96	77.76
Foreign travels	92.91	79.11
Others (Net of reimbursements)	4,657.12	4,641.30
Total	**5,851.34**	**6,076.16**

Note-47 REMITTANCE OF DIVIDEND IN FOREIGN CURRENCY

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Number of Shareholders 326 (324) and number of shares 3,67,700 (3,41,450)	12.68	23.90

Note-48 VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL, COMPONENTS, SPARE PARTS CONSUMED

(₹ in Lacs)

		31st March, 2016	%	31st March, 2015	%
Raw materials					
- Imported		45,516.51	30.95	39,463.99	29.11
- Indigenous		1,01,552.66	69.05	96,111.24	70.89
Total	**(A)**	**1,47,069.17**	**100.00**	**1,35,575.23**	**100.00**
Components and spares					
- Imported		48.38	1.22	87.46	2.98
- Indigenous		3,905.17	98.78	2,842.27	97.02
Total	**(B)**	**3,953.55**	**100.00**	**2,929.73**	**100.00**
Total	**(A + B)**	**1,51,022.72**	**–**	**1,38,504.96**	**–**

Note-49 EARNING IN FOREIGN CURRECNY

(₹ in Lacs)

	31st March, 2016	31st March, 2015
Export of goods (on FOB basis)	9,717.59	8,799.65
Other Income	470.31	789.49
Total	**10,187.90**	**9,589.14**

Note-50 CIF VALUE OF IMPORTS

(₹ in Lacs)

	31st March, 2016	31st March, 2015
Raw materials	42,429.30	40,629.07
Components & spares parts	462.01	1,061.99
Capital goods	11,031.84	474.56
Stock-in-trade	1,61,418.17	1,16,972.66
Total	**2,15,341.32**	**1,59,138.28**

Note-51 FOREIGN CURRENCY OUTSTANDING AS AT 31ST MARCH, 2016:

(₹ in Lacs)

Derivative Instruments and Unhedged foreign currency exposures

(a) Category wise nominal value of derivatives instruments outstanding is as under: For Hedging currency and interest rate risks:

(₹ in Lacs)

Sr. No.	Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
1	Forward Contracts	29,437	–
2	Currency Options	26,237	39,159
3	Interest Rate Swaps	2,761	7,812
(b)	**Unhedged foreign currency exposures is as under**		
	Payables	15,354	12,931
	Receivables	2,217	1,636

Note-52A The Company has taken residential accommodation, office premises and warehouses on lease/rental basis. Lease period varies from one month to twelve months. These lease are cancellable in nature. Lease rental recognised in the Statement of Profit and Loss is ₹ 1,647.82 Lacs (₹ 1,041.20 Lacs).

Note-52B The Company has taken premises on operating lease for a period of one to ten years. The future lease payment of such operating lease is as follows: ₹ in Lacs

Particulars	Not later than 1 year	Later than 1 year and not later than 5 years	Later than 5 years
Minimum lease rental payable	536.58	1065.84	–

Note-53 The Company had in the previous year made Investments of ₹ 18,000 Lacs in Non-Convertible Debentures of its wholly owned subsidiary, SCM Soilfert Limited, which acquired equity shares of Mangalore Chemicals & Fertilizers Limited (MCFL). Equity shares of MCFL were sold during the year and debentures were fully redeemed.

Note-54 Provisions for others included in Note 7 represents provision towards price differences. The outflow on this account is expected within a year.

Note-55 Previous year's figures have been re-grouped wherever necessary to conform to current year's grouping.

Note-56 Previous year figures are given in bracket.

Note: 57 SEGMENT REPORTING

(₹ in Lacs)

Sr. No.	PARTICULARS	CHEMICALS	FERTILISERS	REALTY	OTHERS	ELIMINATIONS	COMMON	TOTAL
1	**Revenue**							
a)	**External Sales**							
I)	**Manufactured**	**1,77,301.11**	**51,392.00**	**–**	**693.41**	**–**	**–**	**2,29,386.52**
	Previous Year	*1,83,809.37*	*16,582.03*	*–*	*703.18*	*–*	*–*	*2,01,094.58*
ii)	**Traded**	**79,886.54**	**1,13,530.08**	**427.10**		**–**	**–**	**1,93,843.72**
	Previous Year	*79,843.12*	*87,086.50*	*333.84*		*–*	*–*	*1,67,263.46*
b)	**Inter-segment sales**	**17,551.16**	**–**	**–**	**–**	**(17,551.16)**	**–**	**–**
	Previous Year	*4,231.99*	*–*	*–*	*–*	*(4,231.99)*	*–*	*–*
c)	**Other operating income**	**1,919.71**	**200.78**	**521.52**	**–**	**–**	**–**	**2,642.01**
	Previous Year	*1,890.10*	*438.58*	*489.91*		*–*	*–*	*2,818.59*
d)	**Unallocated Corporate other income**	**–**	**–**		**–**	**–**	**5,114.09**	**5,114.09**
	Previous Year	*–*	*–*		*–*	*–*	*3,828.04*	*3,828.04*
	Total Revenue	**2,76,658.52**	**1,65,122.86**	**948.62**	**693.41**	**(17,551.16)**	**5,114.09**	**4,30,986.34**
	Previous Year	*2,69,774.58*	*1,04,107.11*	*823.75*	*703.18*	*(4,231.99)*	*3,828.04*	*3,75,004.67*
2	**Segment Result**	**34,421.14**	**3,656.76**	**(1,944.73)**	**338.67**	**–**	**5,114.09**	**41,585.93**
	Previous Year	*25,313.07*	*2,488.12*	*(1,719.79)*	*318.58*	*–*	*3,828.04*	*30,228.02*
3	**Unallocated Corporate expenses**	**–**	**–**	**–**	**–**	**–**	**29,472.54**	**29,472.54**
	Previous Year	*–*	*–*	*–*	*–*	*–*	*22,392.87*	*22,392.87*
4	**Net profit**	**–**	**–**	**–**	**–**	**–**	**–**	**12,113.39**
	Previous Year	*–*	*–*	*–*	*–*	*–*	*–*	*7,835.15*
5	**Other Information**							
a)	**Segment Assets**	**1,67,109.17**	**1,67,282.96**	**24,304.47**	**2,881.66**	**–**	**–**	**3,61,578.26**
	Previous Year	*173,635.63*	*65,974.79*	*26,302.16*	*2,785.47*	*–*	*–*	*2,68,698.05*
	Unallocated corporate Assets	**–**	**–**	**–**	**–**	**–**	**75,859.97**	**75,859.97**
	Previous Year	*–*	*–*	*–*	*–*	*–*	*77,673.33*	*77,673.33*
	Total Assets	**–**	**–**	**–**	**–**	**–**	**–**	**4,37,438.23**
	Previous Year	*–*	*–*	*–*	*–*	*–*	*–*	*3,46,371.38*
b)	**Segment Liabilities**	**32,370.06**	**46,666.12**	**702.94**	**9.47**	**–**	**–**	**79,748.59**
	Previous Year	*23,767.63*	*27,085.93*	*1,780.02*	*11.36*	*–*	*–*	*52,644.94*
	Unallocated corporate Liabilities	**–**	**–**	**–**	**–**	**–**	**1,97,672.37**	**1,97,672.37**
	Previous Year	*–*	*–*	*–*	*–*	*–*	*1,41,240.22*	*1,41,240.22*
	Total Liabilities	**–**	**–**	**–**	**–**	**–**	**–**	**2,77,420.96**
	Previous Year	*–*	*–*	*–*	*–*	*–*	*–*	*1,93,885.16*
c)	**Capital Expenditure incurred during the year**	**16,477.71**	**13,881.14**	**662.29**	**–**	**–**	**1,799.68**	**32,820.82**
	Previous Year	*5,606.36*	*5,155.06*	*143.94*			*3,805.68*	*14,711.04*
d)	**Depreciation/Amortisation**	**8,956.78**	**492.82**	**1,202.31**	**225.26**	**–**	**858.43**	**11,735.60**
	Previous Year	*9,160.31*	*444.01*	*1,171.92*	*225.26*	*–*	*729.28*	*11,730.78*
e)	**Other non-cash expenditures**	**–**	**–**		**–**	**–**	**–**	**–**
	Previous Year	*–*	*–*		*–*	*–*	*–*	*–*

Segment information

1. **Primary segment reporting (by business segments)**

Composition of business segment

Segment		Products covered
a)	Chemicals	Ammonia, Methanol, DNA, C NA, CO^2, TAN, IPA, Propane, Bulk and Speciality Chemicals
b)	Bulk Fertilisers	NP, MOP, DAP, Ammonium Sulphate, Mixtures, SSP, Sulphur, Micronutrients,
		SSF, Bio Fertilisers, Fruits, Vegetables, Pesticides
c)	Realty	Real Estate Business
d)	Others	Windmill Power

2. Inter-segment Sales Pricing: Inter-segment revenue has been recognised as estimated under Excise Regulations.
3. Secondary Segment Information: There are no reportable geographical segments since the Company caters mainly to needs of Indian Markets.

As per our report of even date

For B.K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

NARESH KUMAR KATARIA
Partner
Membership No.: 037825

Mumbai
Dated: 26th May, 2016

For and on behalf of the Board of Directors

S.C. MEHTA
Chairman & Managing Director
DIN : 00128204

S.R. WADHWA
Director
DIN : 00228201

Mumbai
Dated: 26th May, 2016

N.C. SINGHAL
Director
DIN : 00004916

VIPIN AGARWAL
President & CFO

DR. S. RAMA IYER
Director
DIN : 00076549

MANDAR VELANKAR
Asst. Company Secretary
ACS : 14469

Consolidated Financial Statements

Independent Auditor's Report

To the Members of

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **Deepak Fertilisers And Petrochemicals Corporation Limited** (hereinafter referred to as "the Company") and its subsidiaries and jointly controlled entity (the Company and its subsidiaries and jointly controlled entity together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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

Emphasis of Matter

9. We draw attention to Note 36 b(i) and (ii) to the consolidated financial statements which describe the uncertainty related to the outcome of supply of natural gas and subsidy related matters. Our opinion is not qualified in respect of this matter.

Other Matters

10. We did not audit the financial statements of five subsidiaries and one jointly controlled entity, whose financial statements reflect total assets of ₹ 141, 86.64 Lacs as at 31st March, 2016, total revenues of ₹ 18, 337.17 Lacs and cash flow of ₹ 482.26 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

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

11. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    (e) In our opinion, in the event of materialisation of contingent liability referred in paragraph 9 under the Emphasis of Matter paragraph, the functioning of the Company's business may have an adverse impact.

    (f) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

    (g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure I.

    (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Notes 36 to the consolidated financial statements;

        ii. The Group did not have any long-term contracts including derivative contracts for which there were any foreseeable losses;

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies incorporated in India.

FOR B.K. KHARE & CO.
Chartered Accountants
Firm Registration Number: 105102W

NARESH KUMAR KATARIA
Partner
Membership Number: 037825

Mumbai
Dated 26th May, 2016

Annexure I to Independent Auditors' Report

Annexure I to our report of even date on the Consolidated financial statements of Deepak Fertilisers And Petrochemicals Corporation Limited

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

1. In conjunction with our audit of the consolidated financial statements of Deepak Fertilisers and Petrochemicals Corporation Limited as of 31st March, 2016 and for the period from 1st April, 2015 to 31st March, 2016 we have audited the internal financial controls over financial reporting of Deepak Fertilisers And Petrochemicals Corporation Limited (hereinafter referred to as "the Holding Company"), its five subsidiary companies incorporated in India ("Indian Subsidiary Companies") and one jointly controlled entity incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the of the Holding company and its Indian Subsidiary Companies and Jointly Controlled entity are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that operate effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Holding Company, its Subsidiary Companies and jointly controlled entity in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Holding Company, Subsidiary Companies and Jointly controlled entity in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to three Indian Subsidiary Companies and the Jointly controlled entity, is based on the corresponding reports of the auditors of such companies.

FOR B.K. KHARE & CO.
Chartered Accountants
Firm Registration Number: 105102W
NARESH KUMAR KATARIA
Partner
Membership Number: 037825

Mumbai
Dated 26th May, 2016

Consolidated Balance Sheet

as at 31st March, 2016

(₹ in Lacs)

	Note	As at 31st March, 2016	As at 31st March, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	8,820.49	8,820.49
Reserves and surplus	3	1,44,593.10	1,38,388.21
		1,53,413.59	**1,47,208.70**
Minority interest		774.31	552.76
Non-current liabilities			
Long-term borrowings	4	48,906.65	33,854.17
Deferred tax liabilities (Net)	5	12,524.60	12,643.52
Other long-term liabilities	6	114.95	81.99
Long-term provisions	7	3,109.28	2,692.50
		64,655.48	**49,272.18**
Current liabilities			
Short-term borrowings	8	1,40,947.01	78,510.99
Trade payables	9		
(a) Total outstanding dues of micro enterprises and small enterprises; and		43.36	0.31
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises.		47,746.73	24,462.96
Other current liabilities	10	25,424.04	38,468.47
Short-term provisions	7	4,105.88	5,540.40
		2,18,267.02	**1,46,983.13**
Total		**4,37,110.40**	**3,44,016.77**
ASSETS			
Non-current assets			
Fixed assets			
- Tangible assets	11	1,32,667.95	136,531.92
- Intangible assets	12	2,766.70	1,865.40
Capital work-in-progress	13	39,619.51	15,182.10
		1,75,054.16	**1,53,579.42**
Non-current investments	14	82.77	82.37
Long-term loans and advances	15	10,486.03	6,194.22
Other non-current assets	20	1,211.56	872.59
		1,86,834.52	**1,60,728.60**
Current assets			
Current investments	16	3,527.78	25,244.51
Inventories	17	60,693.93	40,940.53
Trade receivables	18	1,49,766.18	95,350.85
Cash and bank balances	19	23,394.49	6,035.43
Short-term loans and advances	15	12,529.98	14,419.61
Other current assets	20	363.52	1,297.24
		2,50,275.88	**1,83,288.17**
Total		**4,37,110.40**	**3,44,016.77**
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date

For B.K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

NARESH KUMAR KATARIA
Partner
Membership No.: 037825

Mumbai
Dated: 26th May, 2016

For and on behalf of the Board of Directors

S.C. MEHTA
Chairman & Managing Director
DIN : 00128204

S.R. WADHWA
Director
DIN : 00228201

Mumbai
Dated: 26th May, 2016

N.C. SINGHAL
Director
DIN : 00004916

VIPIN AGARWAL
President & CFO

DR. S. RAMA IYER
Director
DIN : 00076549

MANDAR VELANKAR
Asst. Company Secretary
ACS : 14469

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2016

(₹ in Lacs)

	Note	Year ended 31st March, 2016	Year ended 31st March, 2015
CONTINUING OPERATIONS			
Revenue:			
Revenue from operations (Gross)	21	4,58,230.09	4,04,061.22
Less: Excise duty		22,960.57	22,816.35
Revenue from operations (Net)		**4,35,269.52**	**3,81,244.87**
Other Income	22	6,962.84	2,891.59
Total Revenue		**4,42,232.36**	**3,84,136.46**
Expenses:			
Cost of materials consumed	23	1,54,840.49	1,45,449.02
Purchase of stock-in-trade	24	1,97,808.86	1,60,257.33
Change in Inventory of finished goods and stock-in-trade- (Increase)/decrease	25	(17,446.52)	(7,220.15)
Employee benefits expenses	26	19,105.95	15,362.35
Finance costs	27	12,754.17	11,109.02
Depreciation, amortisation and impairment expenses	28	12,580.74	12,442.86
Other expenses	29	45,105.71	37,811.16
Total expenses		**4,24,749.40**	**3,75,211.59**
Profit before exceptional and extraordinary items and tax		**17,482.96**	**8,924.87**
Exceptional items (Refer Note No. 38)		-	(857.32)
Profit before extraordinary items and tax		**17,482.96**	**9,782.19**
Extraordinary Items		-	-
Profit before tax		**17,482.96**	**9,782.19**
Tax expenses:			
Current tax		6,134.76	2,875.37
MAT Credit entitlement		-	(171.11)
Deferred tax charge		(118.92)	419.02
Total Tax Expenses		**6,015.84**	**3,123.28**
Profit for the year before minority interest		**11,467.12**	**6,658.91**
Minority Interest		(64.90)	(139.92)
Profit for the period		**11,532.02**	**6,798.83**
Earning per equity share: Face value ₹ 10 each (₹ 10)	30		
i) Basic (in ₹)		13.07	7.71
ii) Diluted (in ₹)		13.07	7.71
Summary of significant accounting policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date

For B.K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

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MANDAR VELANKAR
Asst. Company Secretary
ACS : 14469

Consolidated Cash Flow Statement

for the year ended 31st March, 2016

(₹ in Lacs)

			2015-16	2014-15
(A)	**Cash Flow From operating activities**			
	Net profit before tax		**17,482.96**	**8,924.87**
	Adjustments for-			
	Depreciation and amortisation		12,580.74	12,442.86
	Exchange (gain)/loss (net)		2,209.61	3,348.70
	Profit on sale of investments		(5,839.77)	(532.43)
	Provision for diminution in the value of investments		38.39	(229.61)
	Provision for doubtful debts		493.22	61.92
	Exceptional items			
	Loss/(profit) on sale of assets (net)		107.00	74.57
	Interest income		(554.68)	(1,050.95)
	Dividend income		(0.16)	(384.44)
	Interest expenses		12,754.17	11,109.02
	Operating profit before working capital changes		**39,271.48**	**33,764.51**
	Adjustments for (increase)/decrease in			
	Trade and other receivables		(59,320.36)	(18,262.54)
	Security deposits		2.34	–
	Inventories		(19,753.40)	(6,318.20)
	Trade payables		30,016.04	(12,364.93)
	Cash generated from operations		**(9,783.90)**	**(3,181.16)**
	Direct taxes paid/refund		(2,894.32)	(3,053.51)
	Cash flow before exceptional items		**(12,678.22)**	**(6,234.67)**
	Exceptional Items		–	857.32
	Net cash generated/(used in) operating activities	**(A)**	**(12,678.22)**	**(5,377.35)**
(B)	**Cash flow from investing activities**			
	Purchase of fixed assets		(35,081.07)	(14,139.57)
	Sale of fixed assets		1,650.83	60.51
	Capital advances		–	(1,831.58)
	Acquisition of investments (net)		(1,946.36)	(5,834.24)
	Sale of investments		29,758.98	2,304.96
	Deposits placed		(338.97)	(851.07)
	Loans and advances		–	–
	Interest received		1,488.40	1,025.05
	Dividend received		0.16	384.43
	Net cash generated/(used in) investing activities	**(B)**	**(4,468.03)**	**(18,881.51)**
(C)	**Cash flow from financing activities**			
	Exchange (gain)/loss (net)		(798.67)	(2,826.71)
	Working capital borrowings-proceeds/(repayment) (net)		62,436.02	55,348.53
	External commercial borrowings (repayment)		(7,446.22)	(5,800.17)
	Term loans (net)		21,919.07	–
	Debentures (repayment)		(18,333.34)	(7,499.98)
	Interest paid		(15,133.40)	(11,992.43)
	Equity dividend and corporate dividend tax paid		(9,140.30)	(6,737.27)
	Net cash generated/(used in) financing activities	**(C)**	**33,503.16**	**20,491.97**
	Net increase/(decrease) in cash and cash equivalents	**(A + B + C)**	**16,356.91**	**(3,766.89)**
	Cash and cash equivalents opening balance		**5,218.65**	**8,985.54**
	Cash and cash equivalents closing balance		**21,575.56**	**5,218.65**
	Earmarked balances with the bank		**792.50**	**496.45**
	Short-term bank deposits		**1,026.43**	**320.33**
	Cash and bank balances at the end of the year	Note 19	**23,394.49**	**6,035.43**

Notes: (i) Figures in brackets are outflows.
(ii) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement prescribed under Section 133 of Companies Act, 2013.
(iii) Previous Years figures have been re-grouped wherever necessary to conform to current years classification.

As per our report of even date

For B.K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

NARESH KUMAR KATARIA
Partner
Membership No.: 037825

Mumbai
Dated: 26th May, 2016

For and on behalf of the Board of Directors

S.C. MEHTA
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MANDAR VELANKAR
Asst. Company Secretary
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Notes

to the financial statements for the year ended 31st March, 2016

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

1. The Group and nature of its operations:

Deepak Fertilisers And Petrochemicals Corporation Limited, Corporate office in Pune, Maharashtra, India carries on business in fertiliser, agri services, bulk chemicals, mining and value added real estate. The Company is a Public Limited Company and is listed on the National Stock Exchange of India Limited and The BSE Limited. The Company along with subsidiaries and joint venture entity which are consolidated (Refer Note 2 below) are referred to as the "Group" or the "Company".

2. Subsidiaries considered in Consolidated Financial statements:

List of subsidiary companies:			List of jointly controlled entities:		
Name of the Companies	**Country of incorporation**	**Percentage of ownership interest**	**Name of the Companies**	**Country of incorporation**	**Percentage of ownership interest**
1. Smartchem Technologies Limited* (STL)	India	99.99%			
2. Deepak Nitrochem Pty Limited*	Australia	100.00%			
3. Deepak Mining Services Private Limited (DMSPL)*	India	100.00%			
4. RungePincockMinarco India Private Limited (Subsidiary of DMSPL)*	India	51.00%	Desai Fruits and Vegetables Limited*	India	49.00%
5. SCM Soilfert Limited*	India	99.98%			
6. SCM Fertichem Limited*	India	99.99%			
7. Platinum Blasting Services Pty Limited (Subsidiary of STL)*	Australia	79.27%			
8. Australian Mining Explosives Pty Limited (AME) [Subsidiary of PBS]**	Australia	100%			

* No change in share holding compared to previous year.

** Consolidated for the first time in current year with effect from 1st February, 2016.

Note-1 SIGNIFICANT ACCOUNTING POLICIES

A) Basis for preparation of financial Statements

This financial statements are prepared in accordance with the Generally Accepted Accounting Principles ("GAAP") in India under the historical cost convention on an accrual basis, and are in conformity with mandatory accounting standards, as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

B) Use of estimates

The preparation of the financial Statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial Statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debt, future obligations under employee retirement benefit plans, income taxes, the useful lives and provision for impairment of fixed assets and intangible assets. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

C) Basis of consolidation

a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intragroup balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

b) The financial statements of the Company and its jointly controlled entities are combined on proportionate Consolidation method on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intragroup balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 27 on "Financial Reporting of Interest in Joint Ventures" issued by the Institute of Chartered Accountants of India.

c) The difference between the cost of investments in the subsidiary and joint venture entity, over the parent Company's share in the net assets at the time of acquisition of shares in the subsidiary and the joint venture entity is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.

d) Goodwill arising on interest acquired in joint venture (Desai fruits and Vegetables Private Limited) is being amortised over a period of five years.

e) Minority Interests' share of the net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company. Minority interests' share of net assets of consolidated subsidiary is identified and presented in the consolidated Balance Sheet separate from liabilities and the equity of the shareholders of the Company.

f) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements. Variation in the respective accounting policies is given effect to in the consolidated financial statement only if the impact is significant.

g) The Group follows non-integral basis for translation of foreign currency transactions in respect of its subsidiary, Deepak Nitrochem Pty. Limited registered in Australia.

h) The Group holds certain rights in immoveable properties by virtue of equity shares held in a subsidiary (as stated in Note (a) and (b) of Note 12). Since the equity shares so held do not really represent financial investment but rather the means to acquire and hold the properties for use in Company's operations, the cost of acquisition of the shares is treated as cost of fixed assets and is dealt with in accordance with Accounting Standard (AS)-10 on "Fixed Assets". Accordingly the requirements of Accounting Standard (AS) 13 on Accounting for Investments and Accounting Standard (AS) 21 Consolidated Financial Statements are considered to be not applicable. Even otherwise, the actual effect on the consolidated financial statement will not be contextually significant.

i) The investments in associate companies of Ishanya Brand Services Limited, Ishanya Realty Corporation Limited and Mumbai Modern Terminal Complex Private Limited are required to be accounted as per equity method as per (AS) 23. "Accounting for Investment in Associates in Consolidated Financial Statements". However, since these companies have not commenced the commercial operations as on 31st March, 2016, the amounts invested in the share capital of these companies are reflected as the total investments. The effect of the same on the consolidated financial statements is not significant.

D) Revenue recognition

- Domestic sales are recognised at the point of dispatch of goods to the customers, which is when substantial risks and rewards of ownership are passed on to the customers, and are stated net off trade discounts, rebates, sales tax, value added tax and excise duty.
- Export sales are recognised based on the shipped on the board date as per bill of lading when significant risk and rewards of ownership are transferred to the customer.
- Sales include product subsidy and claims, if any, for reimbursement of cost escalation receivable from Ministry of Agriculture/Ministry of Fertilisers.
- Grants and subsidies from the Government are recognised when there is reasonable certainty of realisation thereof the receipt thereof on the fulfillment of the applicable conditions.
- Revenue in respect of Interest (other than on deposits with banks and others/investments, which are accounted on accrual basis), Insurance claims, Subsidy and reimbursement of cost escalation claimed from Ministry of Agriculture/Ministry of Fertilisers beyond the notified retention price and price concession on fertilisers pending acceptance of claims by the concerned parties is recognised to the extent the Company is reasonably certain of their ultimate realisation.
- Clean Development Mechanism (CDM) benefits known as Carbon Credit for wind energy units generated and N^2O reduction in its Nitric Acid plant are recognised as revenue on the actual realisation of the applicable credits.
- Credits on account of Duty Drawback and other benefits, which are due to be received with reasonable certainty, are accrued upon completion of exports.
- Rental income from realty business is recognised based on the contractual terms. In case of revenue sharing arrangements, the rental income is recognised on the basis of provisional information provided by the lessees where the final data is awaited on the date of revenue recognition.
- Dividend income is accounted for when the right to receive is established.

E) Tangible assets, intangible assets and capital work-in-progress

- Fixed Assets (including major modifications/betterments) are recorded at cost of acquisition or construction and other expenditure incidental and related to such acquisition/construction. Tangible fixed assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment and those which were revalued are stated at the values determined by the valuers less accumulated depreciation and cumulative impairment.
- Intangible Assets (Goodwill, Patent, Trademark, Software Licenses etc.) are capitalised at cost of acquisition or development and expenditure incidental and related to such acquisition/development.
- Exchange variation arising from repayment/restatement of the long term debts/borrowings in foreign currencies for acquisition of fixed assets is capitalised in terms of the option exercised by the Company as per the MCA Circular Notification No. G.S.R.378 (E) dated 11th May, 2011 and further amended by pursuant to Circular number 25/2012 dated 9th August, 2012 issued by Ministry of Corporate Affairs.

- Machinery Spares other than those required for regular maintenance are capitalised at cost.
- Refer Note (J) and (L) for capitalisation of exchange difference of long-term loans and interest on borrowings to acquire qualifying assets.

F) Depreciation and amortisation

- Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013. As per requirements of the Companies Act, 2013 the Group has also identified significant components of the assets and its useful life based on the internal technical evaluation. Depreciation charge on such components is based on its useful life. Estimated useful life adopted in respect of the following assets is different from the useful life prescribed in Schedule – II of the Companies Act, 2013.

Name of assets	Estimated useful life
Computers - Servers and Networks	4 Years or 6 Years
End User Devices such as desktops, laptops etc.	4 Years or 6 Years
Vehicles	4 years for employees' vehicles and 6-7 Years for other vehicles
Buildings other than Factory Buildings RCC Frame Structure	61 Years
Plant and Machinery	Various estimated life upto 21 years. WNA III plant at the rate of 25.88% on WDV basis
Office equipment	5 Years or 6 Years
Furniture and Fixtures	Various estimated life upto 16 Years
Windmill	19 Years

- Depreciation for assets purchased/sold during a period is proportionately charged.
- Depreciation on exchange rate variances capitalised as part of the cost of Fixed Assets, has been provided prospectively over the residual useful life of the assets.
- Capitalised machinery Spares are depreciated over remaining useful life of the related machinery/equipment.
- Costs of such spares are charged to the Statement of Profit and Loss when issued for actual use at written down value.
- Cost of Leasehold Land is amortised over the lease period.
- The additional for depreciation on the increased value due to revaluation of assets is transferred from Revaluation to the Statement of Profit and Loss.

Intangible assets:

- Intangible assets are amortised over a period not exceeding 60 months except in the case of right to use of properties which are amortised over a period of effective useful life of such right.

Capital work-in-progress:

- Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

Assets taken on operating lease:

- Assets taken on operating lease are recognised in the statement of Profit and Loss Account as per the terms of the contract.

Assets given on operating lease:

- Assets given operating lease are recognised as income in the Statement of Profit and Loss as per the terms of the contract.

G) Impairment of assets

- The carrying amount of cash generating units/assets is reviewed at balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated as the higher of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Impairment loss is recognised whenever carrying amount exceeds the recoverable amount. Conversely, previously recognised losses are reversed when the estimated recoverable amount exceeds the carrying amount.

H) Inventories

- Raw materials are valued at lower of moving weighted average cost and net realisable value. However these items are written down to realisable value if the costs of the related finished goods is not expected to recover the cost of raw materials.
- Stores, regular spares, oil, chemicals, catalysts and packing material are valued at moving weighted average cost.
- Cost of inventory of materials is ascertained net of applicable CENVAT / VAT credits.
- Finished including those held for captive consumption are valued at lower of factory cost (including depreciation excise duty payable/paid wherever applicable but excluding interest cost) or and net realisable value.
- Traded goods are valued at lower of cost and net realisable value.
- Value of Work-in-Process of all products is ignored for the purpose of inventory having regard to the concept of materiality and difficulty of quantifying such stocks with exactitude.

I) Investments

- Long-term investments are valued at cost after appropriate adjustment, if necessary, for diminution in their value which are other than temporary in nature.
- Current Investments are stated at lower of cost and fair value.

J) Foreign currency transactions, forward contracts and derivatives

- Transactions in foreign currency are recorded at the rate of exchange prevailing on the dates of the transactions. Foreign currency monetary items are restated at the rate as of the date of Balance Sheet.
- Exchange differences either on settlement or on translation are dealt with in the Statement of Profit and Loss.
- However exchange differences, arising either on settlement or on translation, in case of long-term borrowings used for acquisition of fixed assets are capitalised.
- In case of forward contracts with underlying assets or liabilities, the difference between the forward rate and the exchange rate on the date of inception of a forward contract is recognised as income or expense and is amortised over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which they arise. Any profit or loss arising on cancellation or renewal of forward exchange contracts are recognised as income or expense for the period.
- Wherever the variable interest in respect of External Commercial Borrowings is swapped for fixed interest rates, the fixed interest expense is recognised in the Statement of Profit and Loss.
- The Company has taken option contracts to hedge its currency risks on liabilities in foreign currency. These contracts are Marked to Market (MTM) as at the year end and net loss after considering offsetting effect on the underlying liabilities is charged to Statement of Profit and Loss and capitalised if it is in respect of long term foreign currency loans taken for acquisition of qualifying assets. Net gain, if any is not recognised.
- Premium or discount on foreign exchange forward and options contract are amortised and recognised in statement of profit and loss over the period of contract. Foreign exchange forward and options contract outstanding at the balance-sheet date are stated.
- For the purpose of consolidation, income and expenses are translated at average rates and assets and liabilities are stated at closing rate. The net impact of such change is accumulated under foreign currency translation reserve.

K) Employee benefits

- Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.

Provident fund

- The eligible employees of the Group in India are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are paid to the Regional Provident Fund Commissioner and the Central Provident Fund under the Pension scheme. The Company recognises such contributions as expense of the year in which the liability is incurred.

Gratuity

- The Group has an obligation towards Gratuity, a defined benefit retirement plan covering eligible employees in India. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan is managed by a Trust and the fund is invested with Life Insurance Corporation of India under its Group Gratuity Scheme. The Company makes annual contributions to Gratuity fund and recognises the liability for Gratuity benefits payable in future based on an independent actuarial valuation.

Superannuation

- The Group in India has a Superannuation Plan for its executives, a defined contribution plan. The Company makes annual contributions at 15% of the covered employees' salary. The plan was managed by a Trust and the fund is invested with Life Insurance Corporation of India under its Group Superannuation Scheme. Annual contributions as specified under the Trust deed are paid to the Life Insurance Corporation of India and recognised as an expense of the year in which the liability is incurred.

Compensated absences

- The Group provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave for availment as well as encashment subject to the rules. As per the regular past practice followed by the employees, it is not expected that the entire accumulated leave shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as long term defined benefit. The liability is provided for based on the number of days of unutilised leave at the Balance Sheet date on the basis of an independent actuarial valuation.

Medical Benefits

- The Group has a medical benefit plan according to which employees are entitled to be covered under mediclaim policy for the next five years post their superannuation. The amount being insignificant, the liability towards such benefit is recognised based on the actual premium payable.

Post Retirement Benefits

- The Group has a Post Retirement Benefit plan, which is a defined benefit retirement plan, according to which executives superannuating from the service after ten years of service are eligible for certain benefits like medical, fuel, telephone reimbursement, club membership etc. for specified number of years. The liability is provided for on the basis of an independent actuarial valuation.

L) Borrowing costs

- Borrowing costs that are attributable to the construction/acquisition of qualifying fixed assets are capitalised as a part of the cost of these capitalised assets till the date of completion of physical construction/mechanical completion of the assets. Borrowing costs includes exchange differences to the extent treated as finance cost under AS-16 on borrowing cost.

M) Provisions and contingent liabilities

- Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.
- A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation and in respect of which a reliable estimate can be made. Provision is not discounted and is determined based on best estimate required to settle the obligation at the year-end date.
- Contingent Assets are not recognised or disclosed in the financial Statements.

N) Taxes on Income

- Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognised as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of ten succeeding assessment years.
- Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets on unabsorbed tax losses and unabsorbed tax depreciation are recognised only when there is a virtual certainty of their realisation. Other deferred tax assets are recognised only when there is a reasonable certainty of their realisation.

O) Cash and cash equivalents

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with banks, with original maturities of three months or less.

P) Earnings Per Share

- Basic Earnings per Share is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity Shares outstanding during the period. Earnings considered in ascertaining the Company's Earnings per Share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. For the purpose of calculating diluted earnings per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of Shares outstanding during the period is adjusted for the effects of all dilutive potential Equity Shares.

Note-2 SHARE CAPITAL

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Authorized		
12,50,00,000 Equity Shares of ₹ 10 /- each	12,500.00	12,500.00
10,00,000 Cumulative Redeemable Preference Shares of ₹ 100 each	1,000.00	1,000.00
	13,500.00	**13,500.00**
Issued, subscribed and fully paid-up		
8,82,04,943 equity Shares of ₹ 10 each fully paid-up	8,820.49	8,820.49
Total	**8,820.49**	**8,820.49**

a) Reconciliation of the number of Equity Shares

Equity Shares	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Balance as at the beginning of the year	8,82,04,943	8,820.49	8,82,04,943	8,820.49
Add: Issued during the year	–	–	–	–
Balance as at the end of the year	**8,82,04,943**	**8,820.49**	**8,82,04,943**	**8,820.49**

b) Terms/Rights attached with equity shares

The Company has only one class of issued Equity Shares having at par value of ₹ 10 per Share. Each holder of Equity Shares is entitled to one vote per Share.

The Company declares and pays dividend in Indian Rupee except in the case of overseas Shareholders where dividend is paid in respective foreign currencies considering foreign exchange rate applied at the date of remittance. The dividend proposed by the Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

c) Details of the Shares held by Shareholders holding more than 5% of the aggregate shares in the company.

Name of Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares (in Lacs)	% of Holding	No. of Shares (in Lacs)	% of Holding
Mr. S. C. Mehta	212.84	24.13%	212.84	24.13%
Nova Synthetic Limited	172.67	19.58%	172.67	19.58%
Fidelity Puritan Trust - Fidelity Low-Priced Stock Fund	75.69	8.58%	75.69	8.58%
Total	**461.20**	**52.29%**	**461.20**	**52.29%**

Note-3 RESERVES AND SURPLUS

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Capital reserve	0.13	0.13
Capital redemption reserve	1,950.00	1,950.00
Securities premium reserves	**10,798.95**	**10,798.95**
Revaluation reserve		
Balance as at the beginning of the year	577.52	696.12
Less: Transferred to the Statement of Profit and Loss (Refer Note No. 28)	118.61	118.60
Balance as at the end of the year	**458.91**	**577.52**
Debenture redemption reserve		
Balance as at the beginning of the year	8,104.13	7,874.93
Add: Transferred from/(to) Surplus in the Statement of Profit and Loss	(3,104.13)	229.20
Balance as at the end of the year	**5,000.00**	**8,104.13**
General reserve		
Balance as at the beginning of the year	17,636.69	17,636.69
Add: Transfer from Statement of Profit and Loss	–	–
Balance as at the end of the year	**17,636.69**	**17,636.69**
Foreign currency translation reserve		
Balance as at the beginning of the year	(191.49)	(191.49)
Add/(Less): Effect of foreign exchange rate variations during the year	127.12	–
Closing Balance	(64.37)	(191.49)
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	**99,512.27**	**97,547.67**
Transitional impact of change in useful life of asset (net of deferred tax of ₹ Nil (₹ 226.45 Lacs)) (Refer Note 28)	–	(359.35)
Add: Profit during the year	11,532.02	6,798.83
Less: Appropriations	–	–
Interim Dividend on Equity Shares (Dividend per share ₹ 5.00 (Nil))	4,410.25	–
Proposed Dividend on Equity Shares (Dividend per share Nil (₹ 4.00))	–	3,528.32
Tax on dividend on Equity Shares (Net of credit of tax on dividend distributions by the Subsidiary company)	925.38	717.35
Transfer from/(to) debenture redemption reserve	(3,104.13)	229.20
Transfer to General reserves	–	–
Total appropriations	**2,231.50**	**4,474.87**
Net Surplus in the Statement of Profit and loss	**1,08,812.79**	**99,512.28**
Total	**1,44,593.10**	**1,38,388.21**

Note-4 LONG-TERM BORROWINGS-SECURED (₹ in Lacs)

	Non Current		Current	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
External commercial borrowings (ECBs)				
Bank of Baroda, London	1,987.58	6,250.00	4,637.68	2,500.00
HSBC Bank (Mauritius) Limited	–	2,604.17	2,760.52	5,208.33
(A)	**1,987.58**	**8,854.17**	**7,398.20**	**7,708.33**
Bond / Debentures-Secured (Listed)	–	–		
500, 9.31% Redeemable Privately Placed Non Convertible Debentures (NCDs) of ₹ 10 Lacs each	–	–	–	5,000.00
500, 10 % Redeemable Privately Placed NCDs of ₹ 10 Lacs each	–	–	–	1,666.67
500, 9.75 % Redeemable Privately Placed NCDs of ₹ 10 Lacs each	–	–	–	1,666.67
1000, 9.70% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	–	–	–	10,000.00
2500, 9.71% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	25,000.00	25,000.00	–	–
(B)	**25,000.00**	**25,000.00**	–	**18,333.34**
Term Loans From banks			–	–
State Bank of India	10,042.60	–	–	–
Kotak Mahindra Bank Limited	6,364.00	–	–	–
Export Import Bank of India	3,636.00	–	–	–
Westpac Banking Corporation, Australia	1,876.47	–	–	–
(C)	**21,919.07**	–	–	–
Total (A + B + C)	**48,906.65**	**33,854.17**	**7,398.20**	**26,041.67**
Less: Current maturity of long-term borrowings disclosed under the "Current liabilities"- Refer Note No. 10			7,398.20	26,041.67

Sr. No.	Particulars	Interest Rate and Repayment Schedule	Security
1.	External Commercial Borrowing from Bank of Baroda, ₹ 6,625.26 Lacs (₹ 8,750.00 Lacs). ₹ 1,159.23 (₹ 624.94 Lacs) kept as fixed deposit with Bank of Baroda as lien for ECBs (Refer Note No. 20)	At variable interest rate of LIBOR + 325 bps payable quarterly (average for the year 3.80% (3.59%)). Repayable in 20 quarterly installments commencing from 30th September, 2012 and last installment is payable on 30th June, 2017	*Pari passu* first charge on the entire fixed assets pertaining to Technical Ammonium Nitrate (TAN Project), the leasehold rights and interest in Plot Nos. K-7 and K-8 at MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra and the building(s) structure(s) standing or to be constructed thereon and all fixed plants and machineries installed/to be installed thereon, and all movable machineries, equipments and other movable assets of the said project, both present and future and the equipments, furniture, fixtures and fittings (excluding current assets) along with payment of interest and additional interest on the said loans remuneration of the Trustees and all other monies thereto.
2.	External Commercial Borrowing from HSBC Bank, ₹ 2,760.52 Lacs (₹ 7,812.50 Lacs)	At variable interest rate of LIBOR plus 300 basis points payable half yearly. The Company has taken interest rate swap from floating to fixed rate of 6.09%. Repayable in 6 equal half yearly installments commencing from 31st January, 2014 and last installment is payable on 29th July, 2016	

Sr. No.	Particulars	Interest Rate and Repayment Schedule	Security
3.	Redeemable Privately Placed Non Convertible Debentures ₹ Nil (₹ 5,000 Lacs)	9.31% per annum payable annually. Redeemed on 15th July, 2015	*Pari passu* first charge on the Company's fixed assets, plant and machinery pertaining to Iso Propyl Alcohol (IPA) Plant located at Plot No. K-2, MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra and the building(s), structure(s) standing or to be constructed thereon and all fixed plants and machineries installed/to be installed thereon, and all movable machineries, equipments and other movable assets of the said project, both present and future and the equipments, furniture, fixtures and fittings (excluding current assets) along with payment of interest and additional interest on the said loans, remuneration of the Trustees and all other monies thereto to rank *pari passu* with subsisting mortgage with minimum asset cover of 1.25 times of the asset value over the outstanding debenture issue amount, at all times.
4.	Redeemable Privately Placed Non Convertible Debentures ₹ Nil (₹ 1,666.67 Lacs)	10% per annum payable quarterly. Redeemed on 25th November, 2015	*Pari passu* first charge on the entire fixed assets pertaining to Technical Ammonium Nitrate (TAN Project), the leasehold rights and interest in Plot Nos. K-7 and K-8 at MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra and the building(s) structure(s) standing or to be constructed thereon and all fixed plants and machineries installed/to be installed thereon, and all movable machineries, equipments and other movable assets of the said project, both present and future and the equipments, furniture, fixtures and fittings (excluding current assets) along with payment of interest and additional interest on the said loans. remuneration of the Trustees and all other monies thereto to rank *pari passu* with subsisting mortgage with minimum asset cover of 1.25 times of the asset value over the outstanding debenture issue amount, at all times.
5.	Redeemable Privately Placed Non Convertible Debentures ₹ Nil (₹ 1,666.67 Lacs)	9.75% per annum payable quarterly. Redeemed on 25th November, 2015	

Sr. No.	Particulars	Interest Rate and Repayment Schedule	Security
6.	Privately Placed Non Convertible Debentures ₹Nil (₹10,000 Lacs)	9.70% per annum payable annually. Redeemed on 18th January, 2016	*Pari passu* charge on the present and future immovable and movable fixed assets (i.e. Land, Building and Plant & Machinery) pertaining to Ammonia, WNA, CNA, LDAN, ANP, Bagging, ETP, DNA4, Methanol, CO2 plants located at Plot K1, MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra) of the Company, ensuring a minimum asset cover of 1.25 times of the gross value of assets over the outstanding debenture issue amount, at all times.
7.	Privately Placed Non Convertible Debentures ₹ 25,000 Lacs (₹ 25,000 Lacs)	9.71% per annum payable annually. Redeemable in single installment on 18th January, 2018	
8.	Rupee Term Loan from State Bank of India (₹27,500 Lacs tied up) ₹ 10,000 Lacs availed during the year (₹ Nil)	At variable interest rate payable monthly (average for the year: 9.95% (Nil)). Repayable in 28 quarterly installments starting from June 2017 onwards.	*Pari passu* first charge to be created on the entire fixed assets pertaining to Nitro Phosphate Plant (NPK Project). All present and future immovable and movable fixed assets pertaining to NPK Project lying from Plot K1 to Plot K-5., MIDC Industrial Estate, Taloja, Raigad. First charge on all movable fixed assets located at Plot K1 to K5, MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra of the Company.
9.	Rupee Term Loan from Kotak Mahindra Bank Ltd. (₹ 17,500 Lacs tied up) ₹ 6,364.00 Lacs availed during the year (₹ Nil)	At variable interest rate payable monthly (average for the year: 9.95% (Nil)). Repayable in 28 quarterly installments starting from June 2017 onwards.	
10.	Rupee Term Loan from Export Import Bank of India (₹ 10,000 Lacs tied up) ₹ 3,636 Lacs availed during the year (₹ Nil)	At variable interest rate payable monthly (average for the year: 9.95% (Nil)). Repayable in 28 quarterly installments starting from June 2017 onwards.	
11.	Term Loan availed in foreign currency by subsidiary amounting to ₹ 42.60 Lacs (₹ Nil) from State Bank of India during the year (Nil)	At variable interest rate repayable from calendar year 2018 to 2022	*Pari passu* first charge on the moveable and immovable fixed assets of the subsidiary, second charge on current assets of subsidiary.

Note-5 DEFERRED TAX LIABILITIES (NET)

(₹ in Lacs)

		As at 31st March, 2015	Increase/ (Decrease)	As at 31st March, 2016
Deferred tax liabilities				
- Timing difference on account of depreciation		14,919.67	(464.26)	14,455.41
- Others		74.03	(74.03)	–
	(A)	**14,993.70**	**(538.29)**	**14,455.41**
Deferred tax assets				
- Provision for doubtful debts/loan and advances		341.97	(341.90)	0.07
- Accrued expenses deductible on actual payments		1,805.88	(178.70)	1,627.18
- Others		202.33	101.23	303.56
	(B)	**2,350.18**	**(419.37)**	**1,930.81**
Total	**(A-B)**	**12,643.52**	**(118.92)**	**12,524.60**
Previous year		**11,993.09**	**650.43**	**12,643.52**

Note-6 OTHER LONG-TERM LIABILITIES

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Retention money	114.95	81.99
Total	**114.95**	**81.99**

Note-7 PROVISIONS

(₹ in Lacs)

	Long-term provisions		Short-term provisions	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Provision for employee benefits				
Compensated absences	1,688.78	1,438.18	438.25	327.01
Gratuity	1,120.83	1,052.64	627.34	763.82
Post retirement benefits	299.67	201.68	18.66	75.68
(A)	**3,109.28**	**2,692.50**	**1,084.25**	**1,166.51**
Others				
Provision for Tax	–	–	2,949.16	220.64
Proposed dividend	–	–	–	3,528.20
Dividend distribution tax on proposed dividend	–	–	–	572.89
Others (Refer Note 51)	–	–	72.47	52.16
(B)	**–**	**–**	**3,021.63**	**4,373.89**
Total (A + B)	**3,109.28**	**2,692.50**	**4,105.88**	**5,540.40**

Note-8 SHORT-TERM BORROWINGS

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Secured		
From banks:		
Buyer's credit	30,276.18	31,596.02
Short-term loan from bank	10,512.01	7,500.00
Cash credit facilities (refer notes below)	984.93	4,810.94
Commercial Paper Borrowings	99,173.89	34,604.03
Total	**1,40,947.01**	**78,510.99**

Note:

1. Buyer's credits are generally due within 180 days and carry variable rate of interest (Average Interest rate for the year 0.94% (0.84%)) and are secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.
2. Short-term loan from bank includes loan repayable on 30th April, 2016 which carries interest rate of 9.45% (9.60%) and is secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts. It also includes loans raised by a subsidiary in foreign currency, secured by charge on current assets and fixed assets of the subsidiary and carries variable rate of interest. The loan is repayable in September 2016.
3. Cash credit is repayable on demand and carries variable interest rate (average interest rate for the year is 9.93% (10.56%)). Cash credit facilities sanctioned by banks including working capital demand loans are secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.
4. Commercial Paper Borrowings carries variable interest rate. Average interest rate for the year is 8.51% (8.89%).

Note-9 TRADE PAYABLES

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Micro, Small and Medium Enterprises	43.36	0.31
Trade payables	47,746.73	24,462.96
Total	**47,790.09**	**24,463.27**

Note-10 OTHER CURRENT LIABILITIES

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Current maturities of long-term debts (Refer Note No. 4)	7,398.20	26,041.67
Interest accrued but not due on borrowings	758.37	1,263.96
Advances from customers	2,509.30	1,260.47
Unclaimed dividend (#)	792.87	496.45
Other payables (*)	5,930.22	4,228.23
Due to directors	757.91	714.71
Security deposits	2,718.57	2,298.72
Statutory liabilities	1,176.03	666.13
Creditors for capital goods	3,382.57	1,498.13
Total	**25,424.04**	**38,468.47**

(#) ₹ 40.22 Lacs (₹ 34.89 Lacs) transferred to the Investor Education and Protection Fund during the year.

(*) Other payables includes ₹ 1,765.60 Lacs (₹ 1,191.65 Lacs) related to employees and ₹ 2,875.08 Lacs (₹ 2,089.05 Lacs) related to sales and marketing expenses.

Note-11 TANGIBLE ASSETS

(₹ in Lacs)

Description	Land (Freehold)	Land (leasehold)	Building	Plant & Equipment	Electric Installation	Furniture & Fixtures	Office Equipments	Laboratory Equipments	Vehicles	Total
Gross block as at 1st April, 2014	**9,332.91**	**1,617.67**	**40,798.46**	**1,73,142.44**	**4,033.18**	**1,336.40**	**1,934.73**	**709.30**	**1,831.69**	**2,34,736.78**
Additions	–	–	1,229.89	5,349.20	336.90	504.04	377.66	0.20	389.96	8,187.85
Disposals	–	–	0.50	424.12	18.88	5.72	268.00	1.93	141.79	860.94
Other adjustments										
– Exchange difference	–	–	–	504.19	–	–	–	–	–	504.19
Gross Block as at 1st April, 2015	**9,332.91**	**1,617.67**	**42,027.85**	**1,78,571.71**	**4,351.20**	**1,834.72**	**2,044.39**	**707.57**	**2,079.86**	**2,42,567.88**
Additions	–	–	364.07	7,558.03	23.44	81.06	276.01	–	768.31	9,070.92
Disposals	–	–	102.78	2,586.44	–	56.64	39.75	–	210.37	2,995.98
Other adjustments										
- Exchange differences	–	–	–	786.95	–	–	–	–	–	786.95
Gross Block as at 31st March, 2016 (A)	**9,332.91**	**1,617.67**	**42,289.14**	**1,84,330.25**	**4,374.64**	**1,859.14**	**2,280.65**	**707.57**	**2,637.80**	**2,49,429.77**
Accumulated depreciation on 1st April, 2014	**–**	**182.31**	**5,918.59**	**83,671.14**	**1,303.33**	**734.81**	**1,362.19**	**264.10**	**991.84**	**94,428.31**
Adjusted against surplus in profit and loss		–	490.55	67.05	–	1.73	26.29	–	–	585.62
Deduction/adjustments	–	–	0.51	313.01	12.31	5.20	266.73	0.10	127.98	725.84
Depreciation during the year (Refer Note 28)	–	20.23	1,736.51	8,648.87	457.70	112.70	263.28	105.77	402.81	11,747.87
Accumulated depreciation on 1st April, 2015	**–**	**202.54**	**8,145.14**	**92,074.05**	**1,748.72**	**844.04**	**1,385.03**	**369.77**	**1,266.67**	**1,06,035.96**
Adjustment due to revaluation	–	–	–	118.61	–	–	–	–	–	118.61
Adjustment for foreign translation reserve	–	–	–	5.27	–	–	(2.08)	–	0.90	4.09
Deduction/adjustments	–	–	31.49	969.56	–	56.57	36.90	–	143.63	1,238.15
Depreciation during the year (Refer Note 28)	–	20.23	1,635.23	8,759.82	477.96	159.69	255.72	101.60	431.06	11,841.31
Accumulated depreciation on 31st March, 2016 (B)	**–**	**222.77**	**9,748.88**	**99,988.19**	**2,226.68**	**947.16**	**1,601.77**	**471.37**	**1,555.00**	**1,16,761.82**
Net carrying amount as on 31st March, 2016 (A-B)	**9,332.91**	**1,394.90**	**32,540.26**	**84,342.06**	**2,147.96**	**911.98**	**678.88**	**236.20**	**1,082.80**	**1,32,667.95**
Net carrying amount as on 31st March, 2015	**9,332.91**	**1,415.13**	**33,882.71**	**86,497.66**	**2,602.48**	**990.68**	**659.36**	**337.80**	**813.19**	**1,36,531.92**

Note-12 INTANGIBLE ASSETS

(₹ in Lacs)

Description		Computer Software	Technical Know how/ Engineering Fee	License/ Franchise fees	Upfront fees/ Way leave charges	Design	Leasehold land development	Goodwill on Consolidation	Total
Gross block as at 1st April, 2014		**653.27**	**142.26**	**1,105.75**	**511.36**	**5.96**	**–**	**7,466.03**	**9,884.63**
Additions		–	–	92.82	–	–	105.85	52.03	250.70
Disposals		0.75	–	–	–	–	–	–	0.75
Gross Block as at 1st April, 2015		**652.52**	**142.26**	**1,198.57**	**511.36**	**5.96**	**105.85**	**7,518.06**	**10,134.58**
Addition		77.20	–	75.41	–	–	3.30	1,492.55	1,648.46
Disposal		7.73	–	–	–	–	–	–	7.73
Gross Block as at 31st March, 2016	**(A)**	**721.99**	**142.26**	**1,273.98**	**511.36**	**5.96**	**109.15**	**9,010.61**	**11,775.31**
Accumulated amortisation on 1st April, 2014		**552.99**	**142.26**	**692.65**	**147.92**	**5.96**	**–**	**5,913.81**	**7,455.59**
Deduction/adjustments		–	–	–	–	–	–	–	–
Amortisation during the year (Refer Note 28)		45.07	–	272.46	31.90	–	17.28	446.88	813.59
Accumulated amortisation on 1st April 2015		**598.06**	**142.26**	**965.11**	**179.82**	**5.96**	**17.28**	**6,360.69**	**8,269.18**
Deductions/adjustments		–	–	–	–	–	–	–	–
Amortisation during the year (Refer Note 28)		28.03	–	190.98	31.90	–	18.52	470.00	739.43
Accumulated amortisation on 31st March, 2016	**(B)**	**626.09**	**142.26**	**1,156.09**	**211.72**	**5.96**	**35.80**	**6,830.69**	**9,008.61**
Net carrying amount as on 31st March, 2016	**(A-B)**	**95.90**	**–**	**117.89**	**299.64**	**–**	**73.35**	**2,179.92**	**2,766.70**
Net carrying amount as on 31st March, 2015		**54.46**	**–**	**233.46**	**331.54**	**–**	**88.57**	**1,157.37**	**1,865.40**

1. Cost of Freehold land includes: .
   a) ₹ 3,600 Lacs (₹ 3,600 Lacs) represented by 24,000 Equity Shares of ₹ 10/- each in a company, which is the legal owner of the land in respect of which the Company has acquired exclusive rights of development.
   b) ₹ 2,442.54 Lacs (₹ 2,442.54 Lacs) represented by 1,41,764 Equity Shares (1,41,764) of ₹ 10/- each in the said company, which is the legal owner of the land on which the Company has been granted the rights of use and occupation by virtue of the shares so held.
2. Buildings include a sum of ₹ 11,398.32 Lacs (₹ 11,398.32 Lacs) represented by 38,236 (38,236) Equity Shares of ₹ 10/- each in a company which is the legal owner of the buildings in respect of which the Company has an exclusive right of use and occupation by virtue of the shares so held.
3. The above equity shares so held do not really represent financial investment implicitly but rather the means to acquire and hold the properties for use in Company's operations. Accordingly the cost of acquisition of the shares is treated as cost of fixed assets and is dealt with in accordance with Accounting Standard - 10 on "Fixed Assets".
4. Gross Block of Plant and Machinery includes ₹ 11,240.90 Lacs (₹ 10,453.95 Lacs) towards foreign exchange fluctuations on Long-term Loans.
5. On 1st April 2001, Subsidiary Company revalued Plant and Machinery at its Srikakulam Plant based on valuation report of AnmolSekhri and Associates, Chartered Engineers and Registered Valuers. The valuation was made on the basis of current replacement values of the Plant and Machinery. The gross block at 1st April 2001 has been increased by ₹ 225,144,129/- by transferring a similar amount to Revaluation Reserve. Depreciation amounting to ₹ 11,860,928/- for the year on the revalued amount has been charged to Statement of Profit and Loss and similar amount has been withdrawn from the Revaluation Reserve and credited to Statement of Profit and Loss.
6. Impairment of Assets: In case there are any indicators of impairment, the Company examines carrying cost of its identified Cash Generating Units (CGU) by comparing present value of estimated future cash flows from such CGUs, in terms of Accounting Standard-28 on Impairment of Assets. Accordingly to which no provision for impairment is required as assets of none of CGUs are impaired during the financial year ended 31st March, 2016.

Note-13 CAPITAL WORK-IN-PROGRESS

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Projects #	36,081.02	13,572.97
Others	3,538.49	1,609.13
Total	**39,619.51**	**15,182.10**

Includes borrowing cost of ₹ 1,873.63 Lacs (₹ 259.47 Lacs)

Note-14 NON CURRENT INVESTMENTS (AT COST):

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Trade Investments (Unquoted)		
Investments in Associates (Fully paid up)		
49,994 (49,994) Equity Shares of ₹ 10 each of Ishanya Realty Corporation Limited	5.00	5.00
49,994 (49,994) Equity Shares of ₹ 10 each of Ishanya Brand Service Limited	5.00	5.00
4,000 (Nil) Equity Shares of ₹ 10 each in Mumbai Modern Terminal Market Complex Private Limited	0.40	–
Investments in others (Fully paid up)		
88,448 (88,448) Equity Shares of Sterling Pound 1/each of Deepak International Limited	68.69	68.69
(A)	**79.09**	**78.69**
Non-trade investments (Quoted)		
Investment in Equity Shares	3.68	3.68
Less: Provision for diminution in value	–	–
(B)	**3.68**	**3.68**
Total (A + B)	**82.77**	**82.37**

Details of Investment is Equity (Quoted)

Equity (All Fully paid up)	Face Value (₹)	31st March, 2016 No. of Shares	31st March, 2016 Amount (₹ in Lacs)	31st March, 2015 No. of Shares	31st March, 2015 Amount (₹ in Lacs)
Punjab National Bank Ltd.	2	4,715	3.68	4,715	3.68
Total			**3.68**		**3.68**

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Aggregate amount of Quoted Investments	3.68	3.68
Market value of Quoted investments	3.99	6.81
Aggregate amount of unquoted Investments	79.09	78.69

Note-15 LOANS AND ADVANCES (Unsecured, considered good unless otherwise stated) (₹ in Lacs)

	Long-term		Short-term	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Capital advances	7,737.84	3,254.66	–	–
Security deposits	2,107.34	2,064.46	53.93	99.14
Balance with Central Excise and Customs	378.55	590.34	2,652.40	1,914.83
Loans and advances -related parties #	200.00	200.00	–	–
Advances recoverable in cash or kind or for value to be received				
- Advances/loans to employees	–	–	99.65	291.26
- Advances to suppliers	–	–	3,149.38	4,170.38
- Others @	–	–	4,562.45	4,982.76
- Prepaid expenses	62.30	84.76	1,265.24	1,702.39
Advance payments of taxes (net)	–	–	575.82	1,087.74
MAT Credit entitlement	–	–	171.11	171.11
Total	**10,486.03**	**6,194.22**	**12,529.98**	**14,419.61**

Loans and advances- Related parties and officer (₹ in Lacs)

	Long-term		Short-term	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Security deposit placed with Chairman and Managing Director towards lease of residential premises.	200.00	200.00	–	–
Total	**200.00**	**200.00**	**–**	**–**

'@ Other advances include VAT/Sales Tax receivable of ₹ 3,514.94 lacs (₹ 3,773.42 lacs) and Duty Drawback Receivable of ₹ 49.81 Lacs (₹ 219.77 Lacs).

Notes-16 CURRENT INVESTMENTS (₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Trade Investments Quoted		
Investment in Equity		
3,37,49,623 Equity shares of ₹ 10 each of Mangalore Chemicals and Fertilisers Limited	–	23,919.61
Quoted bonds		
Investment in debt PMS @	1,674.66	243.40
Investment in Tax free bonds *	810.01	–
Investment in Government Securities #	1,081.50	1,081.50
Less: Provision for diminution in value	(38.39)	–
Total	**3,527.78**	**25,244.51**

@ Investment in Debt Securities

Name of Securities	31st March, 2016				31st March, 2015			
	No. of Units	Face Value (₹ in Lacs)	COST (₹ in Lacs)	Market Value (₹ in Lacs)	No. of Units	Face Value (₹ in Lacs)	COST (₹ in Lacs)	Market Value (₹ in Lacs)
9.72% TANGENDCO BONDS 16/07/2024	–	–	–	–	4	10	40.20	40.90
11% BANK OF INDIA PERPETUAL BONDS (TIER I - BASEL III) (Int date 08/08/)	–	–	–	–	3	10	30.76	32.57
11.50% IL&FS TRANSPORTATION NETWORKS LTD. 21/06/2024	–	–	–	–	3	10	30.08	30.19
9.84% Air India NCD 27/09/2026	118	10	1,305.76	1,277.11	13	10	142.36	143.27
9.38% MTNL BONDS 05/12/2023	34	10	368.90	357.95	–	–	–	–
Total			**1,674.66**	**1,635.06**			**243.40**	**246.93**

 # Investment in Government Securities

Name of Securities	31st March, 2016				31st March, 2015			
	No. of Units	Face Value (₹ in Lacs)	Cost (₹ in Lacs)	Market Value (₹ in Lacs)	No. of Units	Face Value (₹ in Lacs)	Cost (₹ in Lacs)	Market Value (₹ in Lacs)
8.97% GOI 05/12/2030 (#)	10	10	1,081.50	1,082.70	10	10	1,081.50	1,097.10
Total			**1,081.50**	**1,082.70**			**1,081.50**	**1,097.10**

*** Investment in Tax Free Bonds**

Name of Securities	31st March, 2016				31st March, 2015			
	No. of Units	Face Value	Cost (₹ in Lacs)	Market Value (₹ in Lacs)	No. of Units	Face Value	Cost (₹ in Lacs)	Market Value (₹ in Lacs)
Axis Liquid Fund - Direct Growth	4,778.67	1000	73.43	78.49	–	–	–	–
Birla Sun Life Cash Plus - Growth	1,34,638.80	100	305.80	327.60	–	–	–	–
Taurus Liquid Fund - Growth	27,440.89	1000	430.78	460.85	–	–	–	–
Total	**–**	**–**	**810.01**	**866.94**	**–**	**–**	**–**	**–**

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Aggregate cost of quoted investments	3,527.78	25,244.51
Market value of quoted investments	3,584.70	30,638.70

Notes-17 INVENTORIES (Valued at Lower of Cost and Net Realisable Value)

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Raw materials - ₹ 92.03 Lacs (₹ 37.52 Lacs) in transit	10,210.21	10,629.06
Packing materials - ₹ 15.39 Lacs (₹ 16.62 Lacs)) in transit	1,646.95	1,111.45
Work-in-progress	–	12.39
Finished goods	4,990.22	5,358.40
Stock-in-trade - ₹ 13,532.82 Lacs (₹ 1,337.96 Lacs) in transit	33,400.97	15,686.39
Stores and spares - ₹ 271.31 Lacs (₹ 17.54 Lacs) in transit	10,445.58	8,142.84
Total	**60,693.93**	**40,940.53**

Notes-18 TRADE RECEIVABLES (Unsecured considered good unless stated otherwise)

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Outstanding for a period exceeding six months:		
Considered good	56,517.21	28,089.89
Considered doubtful	546.87	129.60
	57,064.08	**28,219.49**
Less: Provision for doubtful debts	(622.82)	(129.60)
	56,441.26	**28,089.89**
Others	93,324.92	67,260.96
Total	**1,49,766.18**	**95,350.85**

Sundry debtors includes ₹ 79,476.73 Lacs (₹ 33,498.73 Lacs) towards fertiliser subsidy receivable from the Government of India.

Sundry debtors are net of realisation of ₹ 24,250.34 Lacs (₹ 17,213.03 Lacs) from short term finance facility provided by a bank to the Company's fertiliser dealers.

Notes-19 CASH AND BANK BALANCES

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Cash and cash equivalents:		
Cash on hand	15.18	11.05
Cheques on hand	300.09	1,719.33
Balance in current account with banks	6,240.09	3,476.18
Short Term deposit with banks (less than 3 months)	15,020.20	12.09
	21,575.56	**5,218.65**
Other bank balances		
On unpaid dividend (Earmarked balances)	792.50	496.45
Deposits - maturity for more than 3 months but less than 12 months	1,026.43	320.33
	1,818.93	**816.78**
Total	**23,394.49**	**6,035.43**

Notes-20 OTHER ASSETS - NON-CURRENT

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
Sale tax paid under protest	52.19	52.19
Interest accrued on deposits	0.14	0.07
Derivative contracts receivable	–	195.19
Balances with banks (*)	1,159.23	625.14
Total	**1,211.56**	**872.59**
Other assets - Current		
Interest accrued on deposits	381.73	408.20
Derivative contracts receivable/(payable)	(18.21)	889.04
Total	**363.52**	**1,297.24**

* ₹ 1,159.23 Lacs (₹ 624.94 Lacs) kept as fixed deposit with Bank of Baroda, London, as a lien for ECBs and ₹ Nil (₹ 0.20 Lacs) with Sales Tax Authorities.

Notes-21 REVENUE FROM OPERATIONS

(₹ in Lacs)

		Year ended 31st March, 2016	Year ended 31st March, 2015
A.	**Sale of products**		
	- Finished goods	2,46,105.46	2,28,203.83
	Less: Excise duty	22,960.57	22,816.35
		2,23,144.89	**2,05,387.48**
	Stock-in-trade	1,59,758.96	1,55,095.62
	Subsidy on manufactured fertilisers	15,706.34	4,304.34
	Subsidy on traded fertilisers	34,084.75	14,057.83
		4,32,694.94	**3,78,845.27**
	Revenue from realty business	587.62	543.78
	Less: Service tax	66.10	53.87
		521.52	**489.91**
	Other operating revenues	2,287.12	2,044.24
	Less: Service tax	234.06	134.55
		2,053.06	**1,909.69**
	Revenue from operations (Net)	**4,35,269.52**	**3,81,244.87**
B.	**Details of Sales of goods**		
	Finished goods		
	Iso propyl alcohol	41,990.50	63,870.76
	Nitrophosphate	47,790.29	11,932.72
	Technical ammonium nitrate	99,762.47	88,467.72
	Nitric acid	36,071.84	30,319.42
	Others	10,617.13	15,101.20
	Total (A)	**2,36,232.23**	**2,09,691.82**
	Stock-in-trade		
	Bulk fertilisers	92,033.85	58,388.32
	Speciality fertilisers	17,573.88	19,245.63
	Bulk chemicals	79,803.04	78,834.65
	Others	7,051.94	12,684.85
	Total (B)	**1,96,462.71**	**1,69,153.45**
	Total (A + B)	**4,32,694.94**	**3,78,845.27**

Note: Above figures include subsidies on manufactured and traded fertilizers.

Notes-22 OTHER INCOME

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Interest on term deposits with banks (Gross)	89.13	52.06
Income from non-current investments:		
Interest income on debenture	233.13	–
Other Interest	208.93	971.54
Dividend		
a) Trade investments	–	384.08
b) Non-trade investments	0.16	–
Income from current Investments		
Dividend from Mutual funds	0.07	0.35
Interest on bond and securities	112.62	27.36
Profit on sale of current investments in Mutual fund/shares	5,839.77	532.43
Foreign exchange gains	0.27	8.86
Miscellaneous receipts	478.76	914.91
Total	**6,962.84**	**2,891.59**

Notes-23 COST OF MATERIALS CONSUMED

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Raw materials consumed		
Ammonia	50,902.74	55,002.95
Natural gas	46,021.24	35,621.44
Propylene	28,696.45	43,378.57
Phosphoric acid	21,666.10	4,129.02
Sulphur	1,599.63	2,291.33
Others	1,681.50	1,028.08
	1,50,567.66	**1,41,451.39**
Packing material consumed	4,272.83	3,997.63
Total	**1,54,840.49**	**1,45,449.02**

Note: Raw Material consumption figures are derived from Purchases and Stock variations. Wastage if any is within the tolerable limit and included in above amount.

Notes-24 DETAILS OF PURCHASE OF STOCK-IN-TRADE

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Bulk fertilisers	95,644.16	56,189.04
Speciality fertilisers	12,569.34	16,099.33
Bulk chemicals	83,427.92	78,773.98
Others	6,167.44	9,194.98
Total	**1,97,808.86**	**1,60,257.33**

Notes-25 CHANGE IN INVENTORY OF FINISHED GOODS AND STOCK-IN-TRADE

(₹ in Lacs)

		Year ended 31st March, 2016	Year ended 31st March, 2015
Inventories at the end of the year			
Finished Goods		4,990.22	5,358.40
Stock-in-trade		33,400.97	15,686.39
	(A)	**38,391.19**	**21,044.79**
Inventories at the beginning of the year			
Finished Goods		5,358.41	5,781.66
Stock-in-trade		15,686.39	8,214.92
	(B)	**21,044.80**	**13,996.58**
Opening inventory in Jointly controlled entity		–	–
(Increase)/Decrease in Excise duty on stock of finished goods	**(C)**	**100.13**	**171.94**
Total	**(B-C-A)**	**(17,446.52)**	**(7,220.15)**

Notes-26 EMPLOYEE BENEFITS EXPENSES

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Salary and Wages	16,568.43	12,966.85
Contribution to provident and other funds	1,601.65	1,555.38
Staff welfare	935.87	840.12
Total	**19,105.95**	**15,362.35**

Notes-27 FINANCE COST

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Interest on fixed loans #	2,680.39	5,612.33
Interest - Others	9,675.91	5,194.37
Other financial charges	397.87	302.32
Total	**12,754.17**	**11,109.02**

Exchange difference to the extent considered as an adjustment to borrowing cost ₹ 2,600.10 Lacs (₹ 1,324.86 Lacs) excluding amount capitalised ₹ 1,873.63 Lacs (₹ 259.47 Lacs).

Notes-28 DEPRECIATION, AMORTISATION AND IMPAIRMENT EXPENSES

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Depreciation of tangible assets	11,959.92	11,747.87
Amortisation of Intangible assets	739.43	813.59
	12,699.35	12,561.46
Less: Transferred from Revaluation reserve (Refer Note 3)	118.61	118.60
Total	**12,580.74**	**12,442.86**

During the previous year, the Group had provided depreciation over estimated useful lives of assets as prescribed in Schedule - II of the Companies Act, 2013, or as assessed by the management based on technical evaluation. This had resulted in an additional charge of depreciation amounting to ₹ 1,060.37 Lacs for the year ended 31st March, 2015. The written down value of asset of ₹ 359.35 Lacs as on 1st April, 2014 (net of deferred tax of ₹ 226.27 Lacs) whose residual life was exhausted, had been adjusted against retained earnings.

Notes-29 OTHER EXPENSES

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Power, fuel and water	3,958.25	3,619.71
Stores, spares, oils, chemicals and catalysts consumed	4,145.63	3,160.28
Repairs to:		
- Buildings	429.93	627.70
- Plant and machinery	3,425.84	2,957.13
- Others	787.19	774.78
	4,642.96	**4,359.61**
Insurance	1,451.60	1,638.33
Rent	1,833.90	1,137.21
Rates, taxes and duties	1,228.86	953.82
Directors' sitting fees	28.61	10.70
Auditors' remuneration	72.28	81.24
Carriage outward (net)	16,001.88	12,947.58
Cash discounts	556.17	415.45
Provision for diminution in value of investments		
- Current investments	38.39	–
- Non-current investments	–	(229.61)
Foreign exchange fluctuations (net) @	2,209.61	3,348.70
Loss on sale of fixed assets	107.00	74.57
Commission on sales	539.52	342.42
Legal and professional fees	2,210.90	1,921.11
Sales promotion expenses	1,008.24	970.57
Donation (#)	167.86	148.10
CSR expenses (Refer Note 40)	0.03	4.04
Travelling and conveyance	863.05	2.50
Utility services	826.82	844.70
Communication expenses	310.38	755.50
Miscellaneous expenses	2,903.77	1,304.63
Total	**45,105.71**	**37,811.16**

(@) Foreign exchange fluctuation expenses includes Premium on foreign currency derivative contracts ₹ 2,841.92 Lacs (3,519.93 Lacs).

(#) Includes donation to Chief minister's draught relief fund ₹ 5.00 Lacs (Nil) and to a Political Party Bhartiya Janta Party ₹ Nil (₹ 50 Lacs).

Notes-30 EARNINGS PER SHARE

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Profit after tax (₹ in Lacs)	11,532.02	6,798.83
Average number of Equity Shares of ₹ 10/- each	88,204,943	88,204,943
Basic and diluted earnings per Share	13.07	7.71
Face value per Equity Share	10.00	10.00

Notes-31 DETAILS OF PAYMENT TO AUDITOR

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
As Auditor		
Audit Fees	45.98	45.63
Tax Audit	6.50	6.61
Other Capacity		
Certification	13.45	10.31
Taxation Matters	3.40	14.58
Reimbursement of expenses	2.95	4.11
Total	**72.28**	**81.24**

Note-32 RELATED PARTY DISCLOSURE

Name of the related parties and relationship

ASSOCIATES

Ishanya Brand Services Limited

Ishanya Realty Corporation Limited

Mumbai Modern Terminal Complex Private Limited (From 11th June, 2015)

JOINTLY CONTROLLED ENTITY

Desai Fruits and Vegetables Private Limited

KEY MANAGEMENT PERSONNEL

Shri S.C. Mehta

Shri Partha Bhattacharyya (upto 21st January, 2016)

Shri Somnath Patil (upto 21st January, 2016)

Shri Vipin Agarwal (from 22nd January, 2016)

Shri Tushar Dey (Up to 16th September, 2015)

Shri Mandar Velankar (From 14th March, 2016)

RELATIVES OF KEY MANAGEMENT PERSONNEL

Shri Yeshil Mehta (From 22nd January, 2016)

ENTERPRISES OVER WHICH KEY MANAGERIAL PERSONNEL ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE:

Blue Shell Investments Private Limited

Nova Synthetic Limited

The Lakaki Works Private Limited

Superpose Credits And Capital Private Limited

Storewell Credits And Capital Private Limited

High Tide Investments Private Limited

Deepak Asset Reconstruction Private Limited

Mahadhan Investment and Finance Private Limited

Ishanya Foundation

Deepak Foundation

ENTERPRISES OVER WHICH RELATIVES ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE:

Deepak Nitrite Limited

Note-33A RELATED PARTY TRANSACTIONS

(₹ in Lacs)

Nature of Transactions	31st March, 2016					31st March, 2015				
	Joint Venture	Entities over which Key Management Personnel are able to exercise significant Influence (*)	Key Management Personnel	Relatives of Key Management Personnel	Total	Joint Venture	Entities over which Key Management Personnel are able to exercise significant Influence (*)	Key Management Personnel	Relatives of Key Management Personnel	Total
Sale of Goods	–	6,623.59	–	–	**6,623.59**	–	6,257.05	–	–	**6,257.05**
Donation Given	–	(149.00)	–	–	**(149.00)**	–	(80.50)	–	–	**(80.50)**
Rendering of Services / Reimbursement of Expenses	0.80	7.21	–	–	**8.01**	0.36	7.94	–	–	**8.30**
Receiving of Services / Reimbursement of Expenses	–	–	(1,453.86)	(4.42)	**(1,458.28)**	–	(0.41)	(1,349.54)	–	**(1,349.95)**
Leasing or Hire Purchase arrangements	–	9.19	(24.00)	–	**(14.81)**	–	8.09	(9.00)	–	**(0.91)**
Purchase of Equity Shares	–	–	–	–	**–**	(424.77)	–	(2.17)	–	**(2.17)**
Purchase of DEPB licenses	(105.93)	–	–	–	**(105.93)**	(51.95)	–	–	–	**(51.95)**
Dividend Paid	–	(1,667.62)	(1,915.61)	–	**(3,583.23)**	–	(1,204.40)	(1,259.79)	–	**(2,464.19)**
Interest on Corp Loan	–	–	–	–	**–**	4.59	–	–	–	**4.59**
Balance Receivable/(Payable)	(0.17)	1,067.18	(467.59)	–	**599.425**	0.11	803.41	(429.39)	–	**374.13**

Figures in bracket are outflows.

(*) Includes transaction with enterprises over which relatives are able to exercise significant influence

Note-33B DETAILS OF THE TRANSACTIONS OF THE RELATED PARTIES EXCEEDING 10% OF THE TRANSACTIONS VALUE:

(₹ in Lacs)

Nature of Transactions	31st March, 2016					31st March, 2015				
	Joint Venture	Entities over which Key Management Personnel are able to exercise significant Influence (*)	Key Management Personnel	Relatives of Key Management Personnel	TOTAL	Joint Venture	Entities over which Key Management Personnel are able to exercise significant Influence (*)	Key Management Personnel	Relatives of Key Management Personnel	TOTAL
Sale of Goods										
Deepak Nitrite Limited		6,623.59	–	–	**6,623.59**	–	6,257.05	–	–	**6,257.05**
Interest on Loan/Advance										
Desai Fruits and Vegetables Private Limited		–	–	–	**–**	4.59	–	–	–	**4.59**
Rendering of Services/Reimbursement of Expenses										
Desai Fruits and Vegetables Private Limited	0.80	–	–	–	**0.80**	0.36	–	–	–	**0.36**
Ishanya Foundation	–	7.21	–	–	**7.21**	–	7.94	–	–	**7.94**
Receiving of Services/Reimbursement of Expenses										
Ishanya Foundation	–	–	–	–	**–**	–	(0.41)	–	–	**(0.41)**
Shri S.C.Mehta (Remuneration/Perks)			(933.84)		**(933.84)**			(851.10)		**(851.10)**
Shri Partha Bhattacharyya(Remuneration/ commission)	–	–	(315.92)	–	**(315.92)**	–	–	(255.85)	–	**(255.85)**
Shri Somnath Patil (Remuneration)	–	–	(145.50)	–	**(145.50)**	–	–	(181.62)	–	**(181.62)**
Shri Vipin Agarwal (Remuneration+Perks)	–	–	(22.30)	–	**(22.30)**	–	–	–	–	**–**
Shri Tushar Dey (Remuneration)	–	–	(35.19)	–	**(35.19)**	–	–	(60.97)	–	**(60.97)**
Shri Mandar Velankar (Remuneration+Perks)	–	–	(1.11)	–	**(1.11)**	–	–	–	–	**–**
Shri Yeshil Mehta	–	–	–	(4.42)	**(4.42)**	–	–	–	–	**–**
Leasing or Hire Purchase arrangements										
Deepak Nitrite Ltd.	–	9.19	–	–	**9.19**	–	8.09	–	–	**8.09**
Shri S. C. Mehta			(24.00)		**(24.00)**			(9.00)		**(9.00)**
Purchase of DEPB License										
Desai Fruits and Vegetables Private Limited	(105.93)	–	–	–	**(105.93)**	(51.95)	–	–	–	**(51.95)**
Purchase of Equity Shares										
Shri S. C. Mehta (Shares of SCM Fertichem Ltd.)	–	–	–	–	**–**	–	–	(2.17)	–	**(2.17)**
Desai Fruits and Vegetables Private Limited (Right issue)	–	–	–	–	**–**	(294.07)	–	–	–	**(294.07)**
Desai Fruits and Vegetables Private Limited	–	–	–	–	–	(130.70)	–	–	–	**(130.70)**
Donation Given										
Ishanya Foundation	–	(149.00)	–	–	**(149.00)**	–	(80.50)	–	–	**(80.50)**
Dividend Paid										
Shri S.C. Mehta	–	–	(1,915.61)	–	**(1,915.61)**	–	–	(1,259.79)	–	**(1,259.79)**
Nova Synthetics Ltd.		(1,554.03)			**(1,554.03)**		(1,122.36)			**(1,122.36)**
Balance Receivable / (Payable)										
Desai Fruits and Vegetables Pvt. Ltd.	(0.17)	–	–	–	**(0.17)**	0.11	–	–	–	**0.11**
Deepak Nitrite Ltd.		1,066.08			**(1,066.08)**	–	799.67	–	–	**799.67**
Ishanya Foundation	–	1.10	–		**1.10**	–	3.74	–	–	**3.74**
Shri S.C. Mehta	–	–	(442.59)	–	**(442.59)**	–	–	(404.39)	–	**(404.39)**
Shri P. Bhattacharyya	–	–	(25.00)	–	**(25.00)**	–	–	(25.00)	–	**(25.00)**

Note : Transactions with jointly controlled entity are disclosed at full value in the above table.
Refer Note 37 for details of letter of comfort in respect of Desai Fruits and Vegetables Private Limited
Figures in bracket are outflows.
(*) Includes transaction with enterprises over which relatives are able to exercise significant influence

Note-34 In respect of jointly controlled entity, the Company's share of assets, liabilities, income and expenditure which are consolidated on proportionate basis are as under:

(₹ in Lacs)

Particulars	As at 31st March, 2016	As at 31st March, 2015
i) **Assets**		
Fixed assets	335.11	321.58
Deferred tax assets	17.96	6.12
Loans and advances	27.06	43.39
Current assets	651.16	404.91
ii) **Liabilities**		
Non-Current liabilities & provisions	10.36	8.79
Current liabilities and provisions	775.45	367.69
iii) **Income**	2,785.74	1,893.51
iv) **Expenses**	2,284.65	2,010.21
v) **Contingent liabilities**	18.38	18.38
vi) **Capital commitments**	2.00	5.43

Note-35 CAPITAL AND OTHER COMMITMENTS

(₹ in Lacs)

Capital commitments:	As at 31st March, 2016	As at 31st March, 2015
Related to projects	28,106.21	17,841.14
Related to reality	103.74	396.20
Others Commitments	811.04	5.43
	29,020.99	**18,242.77**

Note-36 CONTINGENT LIABILITIES

(₹ in Lacs)

a) Liabilities classified and considered contingent

	As at 31st March, 2016	As at 31st March, 2015
Claim by suppliers	3,573.76	4,356.18
Income tax demands	3,937.15	3,907.36
Excise/ Service Tax/Custom Demands *	12,406.93	2,862.87
Sale tax /VAT demands	5,369.06	3,405.27
Bank guarantee	11,407.17	7,868.27
Penalty levied by Competition Commission of India and contested by Company	200.00	200.00
Letter of Credit issued in favour of suppliers	3,665.91	22,335.00

* Includes customs duty amounting to ₹ 9,347.27 Lacs on import of fertiliser during the period 2005-06 to 2009-10. Under the applicable policy of government on subsidy, any customs duty needs to be reimbursed by government.

b) (i) Effective 15th May, 2014, domestic gas supply to the Company was arbitrarily stopped pursuant to an order passed by the Ministry of Petroleum and Natural Gas. The Company successfully challenged the same before the Hon'ble Delhi High Court, which by its orders dated 7th July, 2015 (single bench) and 19th October, 2015 directed the Government of India (GOI) to restore the gas supply. Review petition filed by the GOI, challenging the said order, has been rejected by the Court by an order dated 2nd February, 2016. Pursuant to this, GAIL offered to resume gas supply but at higher tariff rate, not matching to the domestic gas prices. As the proposed commercial terms of the offer were not in conformity with the direction of the Honorable Court, the Company has Challenged it before the Court.

(ii) The Department of Fertilisers (DoF), Ministry of Chemicals and Fertilisers, has withheld subsidy of ₹ 79,477 Lacs (net of ₹ 3,516 Lacs released against Bank Guarantee), due to the Company in accordance with applicable Nutrient Based Subsidy (NBS) scheme of GOI, alleging undue gain arising on account of supply of cheap domestic gas. The Company has filed a writ petition before the Hon'ble Bombay High Court, challenging the withholding of subsidy, as being arbitrary and discriminatory. According to the submission made by the (DoF) before the Hon'ble Bombay High Court, formal framework of alleged undue gain is being deliberated and is yet to be notified. The petition is pending before the Court. The Company believes that it has a good case in the matter having regard to the facts and merits of the matter. Accordingly, no provision in the financial statement is considered necessary.

c) The Company has provided Stand by Letter of Credit (SBLC) of Aus $ 37 Lacs during the year to an overseas bank in respect of credit facilities granted by the bank to Platinum Blasting Services Pty. Limited. (Also refer note 41)

Note-37 The Company has provided Letter of Comfort of ₹ 700.00 Lacs (₹ 700.00 Lacs) to a Bank in respect of credit facilities granted by the bank to Desai Fruits and Vegetables Private Limited.

Note-38 Exceptional items in previous year represented profit on sale of investments in Mangalore Chemicals and Fertilizers Limited ₹ 892.17 Lacs and cost of voluntary separation scheme to employees at Taloja Unit ₹ 34.85 Lacs.

Note-39 The Group has made significant capital investments in Ishanya Mall. The said Mall has been incurring losses due to larger break-even period associated with the operations of the Mall which is extended due to continuing adverse economic environment since the launch of the Mall in 2007-08. The management of the Company continues to be hopeful of turn around in performance of the Mall in the coming years due to expected improvements in the economic environment and strategic initiatives being taken in this regard. As in the past the Company has in accordance with the requirements of Accounting Standard 28 - "Impairment of Assets", carried out impairment review of carrying value of the assets of the Mall, which has not indicated any impairment in its value.

Note-40 During the year, the Group was required to spend ₹ 392.00 Lacs of which the Group has incurred CSR expenses of ₹ 167.89 Lacs (₹ 83 Lacs), which includes contribution/donation of ₹ 167.86 Lacs (₹ 80.50 Lacs) to (related Party) which are engaged in activities eligible under Section 135 of Companies Act, 2013 read with Schedule VII thereto and other expenses of ₹ 0.03 Lacs (₹ 2.50 Lacs) directly incurred by the Group.

Note-41 During the year Platinum Blasting Services Pty. Ltd. (a subsidiary of Smartchem Technologies Limited, which in turn is a wholly owned subsidiary of the Company), has acquired entire ownership interest for a consideration amounting to ₹ 1,850 Lacs (AUD 3.7 mn) in Australian Mining Explosives Pty. Ltd. (AME), an Australian Company engaged in the business of storage and handling of Technical Ammonium Nitrate.

Note-42 VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL, COMPONENTS, SPARE PARTS CONSUMED (₹ in Lacs)

		Year ended 31st March, 2016	%	Year ended 31st March, 2015	%
Raw material					
- Imported		45,526.28	30.23%	39,572.19	27.98%
- Indigenous		1,05,041.38	69.77%	1,01,879.20	72.02%
	(A)	**1,50,567.66**	**100%**	**1,41,451.39**	**100%**
Components and spares					
- Imported		98.91	2.38%	67.99	2.15%
- Indigenous		4,046.72	97.62%	3,092.29	97.85%
	(B)	**4,145.63**	**100%**	**3,160.28**	**100%**
Total	**(A + B)**	**1,54,713.29**		**1,44,611.67**	

Note-43 CIF VALUE OF IMPORTS (₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Raw material	42,446.17	40,742.55
Components and spare parts	466.92	1,061.99
Capital goods	11,031.84	474.56
Stock-in-trade	1,61,418.17	1,16,972.66
Total	**2,15,363.10**	**1,59,251.76**

Note-44 FOREIGN CURRENCY OUTSTANDING AS AT 31ST MARCH, 2016:

Derivative Instruments and Unhedged foreign currency exposures

(a) Category wise nominal value of derivatives instruments outstanding is as under: For Hedging currency and interest rate risks:

(₹ in Lacs)

Sr No.	Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
1	Forwards Contracts	29,619	–
2	Currency Options	26,237	39,159
3	Interest Rate Swaps	2,761	7,812
(b)	**Unhedged foreign currency exposures is as under**		
	Payables	15,354	12,931
	Receivables	2,217	1,636

Note-45

A. The Company has taken residential accommodation, office premises and warehouses on lease/rental basis. Lease period varies from one month to twelve months. These leases are cancellable in nature. Lease rental recognised in the Statement of Profit and Loss is ₹ 1,833.90 Lacs (₹ 1,137.21 Lacs).

B. The Group has taken premises on operating lease for a period of one to ten years. The future lease payment of such operating lease is as follows:

Particulars	Not later than one year	Later than one year, not later than 5 Years	Later than 5 Years
Minimum lease rental payable	536.58 Lacs	1065.84 Lacs	–

Note-46 The Group was having investment of ₹ 23,919.61 Lacs in Mangalore Chemicals and Fertilisers Limited representing 28.48% of Share Capital of the said entity which was disposed during the year. However, the said entity was not considered for consolidation in the earlier years, as based on the facts, the Group was not having significant influence in the said entity, hence it was not an Associate as per Accounting Standard (AS) 23 on "Accounting for Investments in Associates in Consolidated Financial Statements".

Note 47 SCHEME OF ARRANGEMENT, AMALGAMATION, RESTRUCTURING ETC.

(a) With a view to paving the way for future growth strategic objective and unlocking the shareholder's value, the Board of Directors of the Company at its meeting held on 29th March, 2016 approved the Scheme of arrangement between Deepak Fertilisers And Petrochemicals Corporation Limited and its wholly owned subsidiaries, SCM Fertichem Limited and Smartchem Technologies Limited ('the Scheme'), under sections 391 to 394 of the Companies Act, 1956. The Scheme provides for the transfer of Fertiliser and TAN undertaking ('the Undertakings') of the Company to SCM Fertichem Limited for a slump exchange consideration of ₹ 74,300 Lacs followed by transfer and vesting of the said Undertakings into Smartchem Technologies Limited by way of de-merger for a consideration to be discharged by issue of one equity share of Smartchem Technologies Limited for every equity share held in SCM Fertichem Limited. The appointed date as per the Scheme is 1st January, 2015.

(b) The Board of Directors of the Company at its meeting held on 5th November, 2015 approved a Scheme of Amalgamation of SCM Soilfert Limited, a wholly owned subsidiary, with the Company. The appointed date as per the Scheme is 1st April, 2015.

Both these Schemes are subject to the sanction of Hon'ble Bombay High Court, other requisite approvals from competent authorities and will be given effect to in the respective financial statements upon receiving the said approvals.

Note-48 EXPENDITURE IN FOREIGN CURRENCY

(₹ in Lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Interest	1,062.35	1,277.99
Technical Fees to foreign vendors	38.96	77.76
Foreign travel	92.91	79.11
Others (Net of reimbursements)	4,715.77	4,755.69
Total	**5,909.99**	**6,190.55**

Note: Figures of jointly controlled entity have been excluded from the above table as the same are considered immaterial.

Note-49 STATEMENT OF NET ASSETS AND PROFIT OR LOSS ATTRIBUTABLE TO OWNERS AND MINORITY INTEREST

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in Lacs)	As % of consolidated profit or loss	Amount (₹ in Lacs)
Parent - Deepak Fertilisers And Petrochemicals Corporation Limited	**105.04%**	**12,113.36**	**103.78%**	**1,60,017.25**
Subsidiaries				
Indian				
1. Smartchem Technologies Limited (including Platinum Blasting Services Pty. Limited)	(6.82%)	(786.54)	3.93%	6,065.67
2. SCM Soilfert Limited	38.82%	4,477.23	0.67%	1,027.21
3. Deepak Mining Services Private Limited (including Runge PincockMinarco India Private Limited)	(0.08%)	(9.40)	(0.02%)	(30.61)
4. SCM Fertichem Limited	0.00%	(0.51)	(0.00%)	(1.29)
Foreign				
1. Deepak Nitrochem Pty. Limited	0.00%	0.00	(0.02%)	(25.54)
Minority Interests	0.56%	64.90	0.50%	774.31
Joint Ventures				
Indian				
1. Desai Fruits and Vegetables Private Limited	(1.36%)	(157.06)	(1.90%)	(2,933.80)
Intercompany eliminations		(4,169.96)		(10,705.30)
Total Net Asset/Net Profit of DFPCL	**100%**	**11,532.02**	**100%**	**1,54,187.90**

Note: 50 The long term settlement with the Employees Union at Taloja Plant expired on 30th September, 2015. Pending finalisation there of, the Group has made estimated provision for liabilities on this account based on the past experience.

Note 51 Provisions for others included in Note 7 represents provision towards price differences. The outflow on this account is expected within a year.

Note-52 Previous year's figures have been re-grouped wherever necessary to conform to current year's grouping.

Note-53 Previous year figures are given in bracket.

Note-54 GRATUITY AND OTHER RETIREMTNT BENEFITS PLAN

(₹ in Lacs)

Particulars	Gratuity benefits (funded)		Compensated absences (unfunded)		Post retirement benefits	
	Year ended 31st March, 2016	Year ended 31st March, 2015	Year ended 31st March, 2016	Year ended 31st March, 2015	Year ended 31st March, 2016	Year ended 31st March, 2015
Components of employer expenses						
Current service cost	375.86	357.65	193.91	176.33	66.61	61.68
Interest cost	319.82	311.91	129.64	123.84	21.83	18.06
Expected return on plan assets	(209.51)	(193.04)	–	–	–	–
Actuarial losses / (gains)	28.12	32.70	256.32	56.44	(38.37)	(14.28)
Total expenses / (Income recognised in the Statement of Profit & Loss Account	**514.29**	**509.22**	**579.87**	**356.61**	**50.07**	**65.46**
Actual contribution and benefits paid during the year	–		–		–	
Actual benefits paid	214.95	327.61	242.34	192.84	9.10	1.14
Actual contribution	573.69	319.83	–	–	–	–
Total	**788.64**	**647.44**	**242.34**	**192.84**	**9.10**	**1.14**
Net asset / (liability) recognised in the Balance Sheet as on 31st March, 2016						
Present Value of Defined Benefit Obligation	(4,632.80)	(4,092.76)	(2,127.03)	(1,717.18)	(318.33)	(277.36)
Fair value of plan assets	2,884.63	2,282.74	–	–	–	–
Net asset / (liability) recognised in the Balance Sheet	**(1,748.17)**	**(1,810.02)**	**(2,127.03)**	**(1,717.18)**	**(318.33)**	**(277.36)**
Change in Defined Benefit Obligations (DBO) during the year ended 31st March, 2016						
Present Value of DBO at beginning of year	4,092.76	3,833.34	1,717.18	1,553.41	277.36	213.04
Current Service cost	375.86	357.65	193.91	176.33	66.61	61.68
Interest cost	319.82	311.91	129.64	123.84	21.83	18.06
Actuarial (gains)/losses	59.31	(82.53)	328.64	56.44	(38.37)	(14.28)
Benefits paid	(214.95)	(327.61)	(242.34)	(192.84)	(9.10)	(1.14)
Present Value of DBO at the end of year	4,632.80	4,092.76	2,127.03	1,717.18	318.33	277.36
Change in Fair Value of Plan Assets during the year ended 31st March, 2016						
Plan assets at beginning of year	2,282.74	2,182.32	–	–	–	–
Actual return on plan assets	209.51	193.04	–	–	–	–
Actual Company contributions	573.69	319.83	–	–	–	–
Actuarial (gains)/losses on Plan Assets	33.64	(115.29)	–	–	–	–
Benefits paid	(214.95)	(297.16)	–	–	–	–
Plan assets at the end of year (Current)	**2,884.63**	**2,282.74**	**–**	**–**	**–**	**–**
Actuarial Assumptions	–		–	–	–	–
Discount Rate	7.80%	8.0%	8%	8.0%	8%	8.0%
Expected Return on plan assets	8.50%	8.8%	NA	NA	NA	–
Salary escalation	5%	5.0%	5%	5.0%	5%	5.0%

Experience adjustment for gratuity benefits (₹ in Lacs)

Experience Adjustments	Gratuity Benefits				
	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012
Defined Benefit Obligation	4,632.80	4,092.76	3,833.34	3,305.57	2,492.46
Plan Assets	2,884.63	2,282.74	2,182.32	2,139.48	1,830.52
Surplus / (Deficit)	(1,748.17)	(1,810.02)	(1,651.02)	(1,166.09)	(661.94)
Experience Adjustments on Plan Liabilities	(0.32)	(227.53)	(554.25)	(372.59)	179.13
Experience Adjustments on Plan Assets	(204.70)	(102.13)	96.48	11.79	11.26

Experience adjustment for post retirement benefits (₹ in Lacs)

Experience adjustment	Post retirement benefits	
	31st March, 2016	31st March, 2015
Defined Benefit Obligation	(318.33)	(277.36)
Plan Assets	–	–
Surplus / (Deficit)	(318.33)	(277.36)
Experience Adjustments on Plan Liabilities	54.90	49.41
Experience Adjustments on Plan Assets	–	–

Note-55 SEGMENT REPORTING

(₹ in Lacs)

Sr. No.	PARTICULARS	CHEMICALS	FERTILISERS	REALTY	OTHERS	ELIMINATIONS	COMMON	TOTAL
1	**Revenue**							
	a) **External Sales**							
	I) **Manufactured**	**1,84,146.82**	**51,392.00**	**-**	**693.41**	**-**	**-**	**2,36,232.23**
	Previous Year	*1,92,406.61*	*16,582.03*	*-*	*703.18*	*-*	*-*	*2,09,691.82*
	ii) **Traded**	**79,886.54**	**1,16,149.07**	**427.10**	**-**	**-**	**-**	**1,96,462.71**
	Previous Year	*79,753.76*	*89,065.85*	*333.84*	*-*	*-*	*-*	*1,69,153.45*
	b) **Inter-segment sales**	**17,551.16**	**-**	**-**	**-**	**(17,551.16)**	**-**	**-**
	Previous Year	*4,231.99*	*-*	*-*	*-*	*(4,231.99)*	*-*	*-*
	c) **Other operating income**	**1,685.96**	**367.10**	**521.52**	**-**	**-**	**-**	**2,574.58**
	Previous Year	*1,471.11*	*438.58*	*489.91*		*-*	*-*	*2,399.60*
	d) **Unallocated Corporate other income**	**-**	**-**		**-**	**-**	**6,962.84**	**6,962.84**
	Previous Year	*-*	*-*		*-*	*-*	*2,891.59*	*2,891.59*
	Total Revenue	**2,83,270.48**	**1,67,908.17**	**948.62**	**693.41**	**(17,551.16)**	**6,962.84**	**442,232.36**
	Previous Year	*2,77,863.47*	*1,06,086.46*	*823.75*	*703.18*	*(4,231.99)*	*2,891.59*	*384,136.46*
2	**Segment Result**	**33,841.14**	**3,512.60**	**(1,944.73)**	**338.67**	**-**	**6,962.84**	**42,710.52**
	Previous Year	*24,615.30*	*2,215.31*	*(1,719.79)*	*318.58*	*-*	*2,891.59*	*28,320.99*
3	**Unallocated Corporate expenses**	**-**	**-**	**-**	**-**	**-**	**31,178.50**	**31,178.50**
	Previous Year	*-*	*-*	*-*	*-*	*-*	*21,522.16*	*21,522.16*
4	**Net profit**	**-**	**-**	**-**	**-**	**-**	**-**	**11,532.02**
	Previous Year	*-*	*-*	*-*	*-*	*-*	*-*	*6,798.83*
5	**Other Information**							
	a) **Segment Assets**	**1,73,747.30**	**169,520.86**	**24,304.47**	**2,881.66**	**-**	**-**	**370,454.29**
	Previous Year	*1,79,310.43*	*62,765.57*	*26,302.16*	*2,785.47*	*-*	*-*	*271,163.63*
	Unallocated corporate Assets	**-**	**-**	**-**	**-**	**-**	**66,656.11**	**66,656.11**
	Previous Year	*-*	*-*	*-*	*-*	*-*	*72,853.14*	*72,853.14*
	Total Assets	**-**	**-**	**-**	**-**	**-**	**-**	**437,110.40**
	Previous Year	*-*	*-*	*-*	*-*	*-*	*-*	*344,016.77*
	b) **Segment Liabilities**	**35,503.20**	**47,453.01**	**702.94**	**9.47**	**-**	**-**	**83,668.62**
	Previous Year	*24,959.58*	*29,704.16*	*1,780.02*	*11.36*	*-*	*-*	*56,455.12*
	Unallocated corporate Liabilities	**-**	**-**	**-**	**-**	**-**	**1,99,253.88**	**1,99,253.88**
	Previous Year	*-*	*-*	*-*	*-*	*-*	*1,39,800.19*	*1,39,800.19*
	Total Liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**2,82,922.50**
	Previous Year	*-*	*-*	*-*	*-*	*-*	*-*	*1,96,255.31*
	c) **Capital Expenditure incurred during the year**	**19,524.79**	**13,956.98**	**662.29**	**-**		**1,799.67**	**35,943.73**
	Previous Year	*6,649.71*	*5,179.41*	*143.94*	*-*	*-*	*3,805.68*	*15,778.74*
	d) **Depreciation/ Amortisation**	**9,253.55**	**1,041.17**	**1,202.31**	**225.26**	**-**	**858.45**	**12,580.74**
	Previous Year	*9,330.91*	*985.50*	*1,171.92*	*225.26*	*-*	*729.27*	*12,442.86*
	e) **Other non-cash expenditure**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Previous Year	*-*	*-*	*-*	*-*	*-*	*-*	*-*

Segment information

1. **Primary segment reporting (by business segments)**

Composition of business segment

	Segment	Products covered
a)	Chemicals	Ammonia, Methanol, DNA, CNA, SNA, CO_2, TAN, IPA, Propane, Bulk and Speciality Chemicals
b)	Bulk Fertilisers	NP, MOP, DAP, Ammonium Sulphate, Mixtures, SSP, Sulphur, Micronutrients, SSF, Bio Fertilisers, Fruits, Vegetables and Pesticides
c)	Realty	Real Estate Business
d)	Others	Windmill Power

2. Intersegment Sales Pricing: Intersegment revenue has been recognised as estimated under Excise Regulations.
3. Secondary Segment Information: There are no reportable geographical segments since the Company caters mainly to needs of Indian Markets.

As per our report of even date

For B.K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

NARESH KUMAR KATARIA
Partner
Membership No.: 037825

Mumbai
Dated: 26th May, 2016

For and on behalf of the Board of Directors

S.C. MEHTA
Chairman & Managing Director
DIN : 00128204

S.R. WADHWA
Director
DIN : 00228201

Mumbai
Dated: 26th May, 2016

N.C. SINGHAL
Director
DIN : 00004916

VIPIN AGARWAL
President & CFO

DR. S. RAMA IYER
Director
DIN : 00076549

MANDAR VELANKAR
Asst. Company Secretary
ACS : 14469

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED
Registered Office : Opp. Golf Course Shastri Nagar, Yerawada, Pune - 411 006.
Corporate Office : Sai Hira, Survey No. 93, Mundhwa, Pune - 411 036.
CIN: L24121MH1979PLC021360

BALLOT FORM

Thirty Sixth Annual General Meeting, 12th August, 2016

(For members who do not have access to e-voting facility)

Sr. No.	Particulars	Details
1.	Name of the Member(s):	
2.	Postal address	
3.	Registered Folio No./* Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	No. of shares	

I / We hereby exercise my / our vote(s) in respect of the Resolutions to be passed for the business set out in the Notice of the Annual General Meeting of the Company to be held on Friday, 12th August, 2016 by sending my / our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below:

(Cut here)

Item No.	Description of Resolution(s)	No. of Equity shares	(For) I / We assent to the resolution	(Against) I / We dissent to the resolution
ORDINARY BUSINESS				
1	Receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended 31st March, 2016 and the Reports of the Directors and Auditors thereon.			
2	Confirm and approve the interim dividend paid on Equity Shares at the rate of 50% (₹ 5 per Equity Share of ₹ 10 each) as the final dividend, for the financial year 2015-16.			
3	Appoint a Director in place of Smt. Parul S. Mehta, who retires by rotation and being eligible, offers herself for re-appointment.			
4	Ratify appointment of M/s. B. K. Khare & Co., (Firm Registration No. 105102W) as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of Thirty-Seventh Annual General Meeting and to fix their remuneration.			
SPECIAL BUSINESS				
5	Ratification and confirmation for payment of remuneration to M/s. Y. R. Doshi & Company, Cost Accountants.			
6	Consent to borrow moneys upto ₹ 2,000 Crore (Rupees Two Thousand Crore only) over and above the aggregate of the paid-up capital and free reserves.			
7	Consent to mortgage / charge / hypothecate / encumber any of the Company's movable and / or immovable properties wherever situated both present and future or to lease or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the Company for an amount upto ₹ 2,000 Crore (Rupees Two Thousand Crore only) over and above the aggregate of the paid-up capital and free reserves.			

Place:

Date:

_____

Signature of Member

Note : This Ballot Form is provided for the benefit of Members, who do not have access to e-voting facility.

INSTRUCTIONS

1. Members may fill up this Ballot Form (no other form or photocopy of the form will be accepted) and send the same in a sealed envelope addressed to the Scrutinizer, viz. Shri. S.V. Deulkar, Partner, SVD & Associates, Company Secretaries C/o. Deepak Fertilisers And Petrochemicals Corporation Limited, Sai Hira, Survey No. 93, Mundhwa, Pune 411 036, **so as to reach by 5 P.M. on 11th August, 2016**. The Ballot Form received thereafter will be strictly treated as not received.

2. The Ballot Form should be signed by the Member(s) as per the specimen signature registered with the Company / the Depositories. In case of joint holding, this Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. The right of voting by Ballot Form shall not be exercised by a Proxy.

3. In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution / Authorization.

4. **A Member can opt for only one mode of voting i.e. either through e-voting or by the Ballot or by Poll at the Meeting. If a Member casts vote by by more than one mode, then voting done through e-voting shall prevail and the Ballot Form / Poll shall be treated as invalid.**

5. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on 5th August, 2016.

6. Unsigned, incomplete, improperly or incorrectly ✓(tick) marked Ballot Forms shall be rejected. The decision of the Scrutinizer on the validity of the Ballot Form will be final.

7. The Company will not be responsible, if the envelope containing the Ballot Form is lost in transit.

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Registered Office : Opp. Golf Course Shastri Nagar, Yerawada, Pune - 411 006.
Corporate Office : Sai Hira, Survey No. 93, Mundhwa, Pune - 411 036.
CIN: L24121MH1979PLC021360

FORM OF PROXY

Thirty Sixth Annual General Meeting, 12th August, 2016

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

Name of the Member(s): _____

Registered address: _____

E-mail ID _____

Folio No./ Client ID* _____

DP ID* _____

I/ We being the Member(s) of the Company holding _____ shares, hereby appoint;

1. Name : _____	E-mail ID : _____
Address : _____	Signature : _____

or failing him

2. Name : _____	E-mail ID : _____
Address : _____	Signature : _____

or failing him

3. Name : _____	E-mail ID : _____
Address : _____	Signature : _____

as my/ our proxy to attend and vote (on a poll) on my/our behalf at the **Thirty Sixth Annual General Meeting** of the Company, to be held on Friday, 12th August, 2016 at 11.30 a.m. at MDC Auditorium, Yashwantrao Chavan Academy of Development Administration (YASHADA) Campus, Rajbhavan Complex, Baner Road, Pune 411 007 and at any adjournment thereof in respect of such resolutions as are indicated below:

(Cut here)

Resolution No.	Resolution(s)	Vote (Optional see Note 2)	
		For	Against
ORDINARY BUSINESS			
1	Receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended 31st March, 2016 and the Reports of the Directors and Auditors thereon.		
2	Confirm and approve the interim dividend paid on Equity Shares at the rate of 50% (₹ 5 per Equity Share of ₹ 10 each) as the final dividend, for the financial year 2015-16.		
3	Appoint a Director in place of Smt. Parul S. Mehta, who retires by rotation and being eligible, offers herself for re-appointment.		
4	Ratify appointment of M/s. B. K. Khare & Co., (Firm Registration No. 105102W) as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of Thirty-Seventh Annual General Meeting and to fix their remuneration.		
SPECIAL BUSINESS			
5	Ratification and confirmation for payment of remuneration to M/s. Y. R .Doshi & Company, Cost Accountants.		
6	Consent to borrow moneys upto ₹ 2,000 Crore (Rupees Two Thousand Crore only) over and above the aggregate of the paid-up capital and free reserves.		
7	Consent to mortgage / charge / hypothecate / encumber any of the Company's movable and / or immovable properties wherever situated both present and future or to lease or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the Company for an amount upto ₹ 2,000 Crore (Rupees Two Thousand Crore only) over and above the aggregate of the paid-up capital and free reserves.		

Signed this _____ day of _____ 2016.

Signature_____

Please affix Revenue Stamp

* Applicable to Members holding shares in electronic form.

NOTES:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the meeting.
2. It is optional to indicate your preference. If you leave the for/against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.

AGM VENUE

Yashwantrao Chavan Academy of Development Adminstration
(YASHADA) MDC Auditorium, Raj Bhavan Complex,
Baner Road, Pune - 411 007

"Sooner or later, the man who wins
is the man who thinks he can..."

- Richard Bach

If undelivered, please return to:

DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED
Sai Hira, Survey No. 93, Mundhwa, Pune - 411 036, India
CIN: L24121MH1979PLC021360