DCW
LIMITED

May 25, 2016

To,

| | |
|---|---|
| (1) The Mumbai Stock Exchange<br>Department of Corporate Services,<br>1st floor, New Trading Ring<br>Rotunda Building,<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street,<br>Mumbai - 400 001.<br>Fax : 22723121/3719/2037/2039<br>Scrip Code :500709 | (2) National Stock Exchange of India Ltd.<br>Exchange Plaza Bldg.<br>5th Floor, Plot No.C-1<br>'G' Block, Near Wockhardt,<br>Bandra Kurla Complex<br>Mumbai 400 051. Fax:26598237/38<br>Scrip Code : DCW |

Dear Sirs,

**Sub: Audited Financial Results for the year ended March 31, 2016**

Enclosed is Independent Auditor's Report and Audited Financial Results of the Company for the year ended March 31, 2016, duly signed by the Chairman and Managing Director, which was approved by the Board of Directors at their meeting held today i.e. May 25, 2016 .

Kindly take same on the record and acknowledge the receipt.

Thanking You

Yours faithfully,

For **DCW Limited**

Jigna Karnick
Dy. Company Secretary
Encl.: a/a

**DCW LIMITED**
HEAD OFFICE :
"NIRMAL" 3RD FLOOR, NARIMAN POINT, MUMBAI-400 021.
TEL.: 2287 1914, 2287 1916, 2202 0743 TELEFAX: 22 2202 8838
REGISTERED OFFICE : DHRANGADHRA - 363 315 (GUJRAT STATE)
Email: ho@dcwltd.com, Website: www.dcwltd.com, CIN-L24110GJ1939PLC000748

**V. Sankar Aiyar & Co.**
CHARTERED ACCOUNTANTS
2-C, Court Chambers
35, New Marine Lines
Mumbai - 400 020

Tel. : 2200 4465, 2206 7440
Fax : 91-22-2200 0649
E-mail : mumbai@vsa.co.in
Website : www.vsa.co.in

## INDEPENDENT AUDITOR'S REPORT

## TO THE BOARD OF DIRECTORS OF DCW LIMITED

1. We have audited the accompanying Statement of Standalone Financial Results of DCW Limited ('the Company') for the year ended March 31, 2016 ('the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI ( Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related standalone financial statements which are in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable, and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

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

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

   (i) Is presented in accordance with the requirements of Regulation 33 of the SEBI ( Listing Obligation and Disclosure Requirements) Regulations, 2015; and

**V. Sankar Aiyar & Co.**
CHARTERED ACCOUNTANTS
Mumbai - 400 020

(ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the year ended March 31, 2016.

4. Emphasis of Matter

We draw attention to Note 3 to the Audited Financial Results which describes the uncertainty related to the outcome of the petitions/appeals filed by the company in the matter of retrospective legislation and electricity tax demand of Rs.3568.70 lacs on captive power generated during the period 2003-2012; in the matter of customs duty demand of Rs.2961.65 lacs on coal imported by the company during 2011 and 2012 and in the matter of revision in the lease rent demanded by V. O. Chidambaranar Port Trust of Rs 443.40 lacs for the years 2006 to 2016 and hence have not been provided. Our opinion is not qualified in respect of this matter.

5. The Statement includes the results for the Quarter ended March 31, 2016, being the balancing figures between audited figures in respect of the full financial year and the audited year to date figures up to the third quarter of the current financial year.

For V. SANKAR AIYAR & CO
Chartered Accountants
Firm's Registration No.109208W

S. Venkataraman
Partner
Membership No. 23116

Place: Mumbai
Date: 25th May,2016

V. SANKAR AIYAR & CO. MUMBAI CHARTERED ACCOUNTANTS

# DCW LIMITED

Registered office : Dhrangadhra - 363315 ( Gujarat )
Head Office :'Nirmal', Nariman Point , Mumbai - 400021.
Website : www.dcwltd.com , Telephone : 22871914/16.
Telefax : 22 22028838, E-mail : ho@dcwltd.com
CIN : L24110GJ1939PLC000748

(Rs. In Lacs)

## AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2016 :

| PARTICULARS | QUARTER ENDED | | | YEAR ENDED | PREVIOUS YEAR END |
|---|---|---|---|---|---|
| | 31.03.2016 Unaudited | 31.12.2015 Unaudited | 31.03.2015 Unaudited | 31.03.2016 Audited | 31.03.2015 Audited |
| 1. INCOME FROM OPERATIONS | | | | | |
| (a) Net sales/income from operations (Net of excise duty) | 33,818.02 | 27,712.23 | 36,407.95 | 126,763.26 | 125,081.36 |
| (b) Other operating income | 84.03 | 92.20 | 56.33 | 396.54 | 365.46 |
| TOTAL INCOME FROM OPERATIONS (NET) | 33,902.05 | 27,804.43 | 36,464.28 | 127,159.80 | 125,446.82 |
| 2. EXPENDITURE : | | | | | |
| a. Cost of materials consumed | 14,665.52 | 15,296.46 | 14,582.93 | 61,505.48 | 64,431.20 |
| b. Purchase of stock-in-trade | 1.38 | - | 0.31 | 11.31 | 7.22 |
| c. Power and Fuel | 5,411.69 | 5,057.53 | 6,051.88 | 21,361.87 | 22,543.94 |
| d. Changes in inventories of finished goods | 2,358.87 | (2,580.73) | 5,921.47 | (84.22) | 4,702.91 |
| e. Employee benefits expense | 2,580.04 | 2,268.97 | 2,426.50 | 9,638.01 | 9,216.25 |
| f. Depreciation | 1,692.78 | 1,751.10 | 1,172.17 | 6,621.66 | 5,200.16 |
| g. Other expenses | 4,668.40 | 4,821.22 | 4,463.77 | 19,687.42 | 18,077.67 |
| TOTAL EXPENSES | 31,378.68 | 26,614.55 | 34,619.03 | 118,741.53 | 124,179.35 |
| 3. Profit / (Loss) from operations before other income, finance costs and exceptional items ( 1 - 2 ) | 2,523.37 | 1,189.88 | 1,845.25 | 8,418.27 | 1,267.47 |
| 4. Other income | 44.64 | 185.41 | 81.12 | 270.38 | 184.87 |
| 5. Profit / (Loss) from ordinary activities before tax (3 + / - 4) | 2,568.01 | 1,375.29 | 1,926.37 | 8,688.65 | 1,452.34 |
| 6. Finance costs | 1,833.34 | 1,337.56 | 413.43 | 5,797.09 | 1,868.72 |
| 7. Profit / (Loss) from ordinary activities after finance costs but before exceptional items ( 5 + / - 6 ) | 734.67 | 37.73 | 1,512.94 | 2,891.56 | (416.38) |
| 8. Exceptional items | - | - | 364.21 | - | (60.16) |
| 9. Profit / (Loss) from ordinary activities before tax ( 7 + / - 8 ) | 734.67 | 37.73 | 1,877.15 | 2,891.56 | (476.54) |
| 10. Tax expense | 376.98 | 10.00 | 115.64 | 1,036.98 | 115.63 |
| 11. Net Profit / (Loss) from ordinary activities after tax (9 +/- 10) | 357.69 | 27.73 | 1,761.51 | 1,854.58 | (592.17) |
| 12. Extraordinary items (net of tax expense) | - | - | - | - | - |
| 13. Net Profit / (Loss) for the period ( 11 + / - 12 ) | 357.69 | 27.73 | 1,761.51 | 1,854.58 | (592.17) |
| 14. Paid-up equity share capital (Face value of Rs. 2/- each) | 4,393.63 | 4,393.63 | 4,269.89 | 4,393.63 | 4,269.89 |
| 15. Reserve excluding Revaluation Reserves as per Balance sheet of previous accounting year | | | | 54,170.11 | 51,016.31 |
| 16.i Earnings per share (before extraordinary items) (Face value of Rs.2/- each) (not annualised) : Basic and Diluted | 0.17 | 0.01 | 0.83 | 0.86 | (0.28) |
| 16.ii Earnings per share (after extraordinary items) (Face value of Rs.2/- each) (not annualised) : Basic and Diluted | 0.17 | 0.01 | 0.83 | 0.86 | (0.28) |

## SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED :

| PARTICULARS | QUARTER ENDED | | | YEAR ENDED | PREVIOUS YEAR END |
|---|---|---|---|---|---|
| | 31.03.2016 Unaudited | 31.12.2015 Unaudited | 31.03.2015 Unaudited | 31.03.2016 Audited | 31.03.2015 Audited |
| I) Segment Revenue : ( Net Income ) | | | | | |
| a. Soda Ash | 5,269.86 | 4,606.09 | 4,777.15 | 19,557.33 | 19,284.31 |
| b. Caustic Soda | 11,527.48 | 10,083.09 | 12,161.67 | 47,493.88 | 44,652.47 |
| c. Synthetic Iron Oxide Pigment | 323.05 | 258.01 | - | 729.66 | - |
| d. PVC | 16,492.48 | 12,534.55 | 19,279.75 | 57,637.28 | 59,656.36 |
| | 205.15 | 230.49 | 189.38 | 1,345.11 | 1,488.22 |

| | | | | | |
|---|---|---|---|---|---|
| **Net Sales from operation** | **33,818.02** | *27,712.23* | **36,407.95** | **126,763.26** | **125,061.90** |
| **ii. Segment Results : (Profit before Interest and Tax)** | | | | | |
| a. Soda Ash | 1,205.09 | *1,078.32* | 1,151.92 | 3,961.00 | 3,668.97 |
| b. Caustic Soda | 1,151.52 | *43.17* | (243.00) | 4,574.18 | (2,504.79) |
| c. Synthetic Iron Oxide Pigment | (749.34) | *(105.82)* | 889.41 | (2,048.44) | - |
| d. PVC | 925.94 | *282.85* | - | 1,497.69 | (568.88) |
| e. Others | 34.80 | *76.77* | 128.04 | 704.22 | 857.05 |
| **Total :** | **2,568.01** | *1,375.29* | **1,926.37** | **8,688.65** | **1,452.35** |
| Less : Interest | 1,833.34 | *1,337.56* | 413.43 | 5,797.09 | 1,868.72 |
| Exceptional Items - ( Profit ) / Loss | - | - | 364.21 | - | (60.16) |
| **TOTAL PROFIT BEFORE TAX** | **734.67** | *37.73* | **1,877.15** | *2,891.56* | *(476.53)* |
| **iii. Capital Employed (Segment assets - Segment Liabilities)** | | | | | |
| a. Soda Ash | 17,398.13 | *17,835.61* | 17,398.13 | 17,398.13 | 17,398.13 |
| b. Caustic Soda | 41,920.51 | *44,380.28* | 41,920.51 | 41,920.51 | 43,308.66 |
| c. Synthetic Iron Oxide Pigment | 56,339.46 | *47,817.56* | - | 56,339.46 | 48,607.49 |
| d. PVC | 18,562.52 | *11,484.40* | 18,562.52 | 18,562.52 | 18,562.52 |
| e. Others | 5,785.09 | *8,245.44* | 5,785.09 | 5,785.09 | 5,785.09 |
| **Total :** | **140,005.71** | *129,763.29* | **83,666.25** | **140,005.71** | **133,661.89** |

V. SANKAR AIYAR & CO. MUMBAI CHARTERED ACCOUNTANTS

NOTES :

1. The above audited results for the year ended 31st March, 2016, which have been prepared in accordance with Regulation 33 of SEBI (Listing and Disclosure Requirements) Regulations, 2015 and subjected to audit by the Statutory Auditors of the Company, were reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Company at their respective meetings held on 25th May, 2016.
2. The Company has issued Equity Shares / Convertible Warrants on Preferential basis to promoters / promoters group and business associates including relatives of business associates during the year (received Rs. 1498.05 lacs against the same and utilised the proceeds towards its projects) as follows :
   A. Allotted 48,80,750 equity shares carrying face value of Rs. 2/- at a premium of Rs. 21/- each and received total amount of Rs. 1122.57 lacs against the same.
   B. Allotted 26,12,000 convertible warrants, to be converted into one equity share against each warrant having face value of Rs. 2/- per share at a premium of Rs. 21/- per share. Out of the same 13,06,000 warrants have been converted into equity shares against which Rs. 300.38 lacs has been received and balance 13,06,000 warrants pending to be converted into equity shares against which Rs. 75.10 lacs has been received.
3. In the matter of
   A. Tamil Nadu Electricity Tax demand of Rs. 3568.70 lacs in respect of captive power generated at Sahupuram unit for the period 2003 to 2012, the Company has been legally advised and is hopeful of favourable outcome before the Supreme Court on the invalidity of and the retrospective application of the Amending Act of 2003 and in the writ petition filed before the Hon'ble Madras High Court. No provision is considered necessary by the management for the Electricity Tax demand.
   B. In respect of demand of differential duty of Customs of Rs. 2961.65 lacs in respect of coal imports in earlier years the Company has been legally advised that it has the fair chance of success before CESTAT. Accordingly no provision has been made in the accounts.
   C. In the matter of disputed demand of Rs. 443.40 lacs from V. O. Chidambaranar Port Trust in respect of port lands taken on lease, the company has obtained Interlm stay from the Hon'ble Madras High Court. Accordingly no provision is considered necessary by the management for the same.
4. The Board of Directors of the company has decided in their meeting held on 25th May, 2016 that the investment in its subsidiary will be disposed of in the near future as it has no intention to carry on any business in the subsidiary which has not commenced its operations. In accordance with Accounting Standard 21, the company has accordingly discontinued preparing the Consolidated Financial Statements from the Financial Year 2015-16.
5. The figures of the quarter ended 31st March are the balancing figures between audited figures in respect of the full financial year and the publised year to date figures upto the third quarter of the respective financial years.
6. Previous periods' figures have been regrouped / rearranged to confirm to current periods' classification.

| STATEMENT OF ASSETS & LIABILITIES : | Audited | Audited |
|---|---|---|
| Particulars | As at 31.03.2016 | As at 31.03.2015 |
| **A. EQUITY AND LIABILITIES** | | |
| **1. Shareholders' funds** | | |
| (a) Share Capital | 4,393.63 | 4,269.89 |
| (b) Reserves and Surplus | 54,865.68 | 51,739.40 |
| **Subtotal - Shareholders' funds** | **59,259.31** | **56,009.29** |
| **2. Money received against share warrants** | 75.10 | - |
| **3. Non - Current liabilities** | | |
| (a) Long-Term borrowings | 55,499.74 | 56,739.65 |
| (b) Deferred Tax Liability (net) | 12,471.85 | 11,467.87 |
| © Long term provisions | 1,289.36 | 1,104.74 |
| (d) Other Long term liabilities | 2,500.00 | 2,500.00 |
| **Sub total - Non Current liabilities** | **71,760.95** | **71,812.26** |
| **4. Current liabilities** | | |
| (a) Short term borrowings | 18,050.79 | 11,369.63 |
| (b) Trade payables | 23,017.67 | 29,383.85 |
| © Other current liabilities | 19,422.02 | 16,166.40 |
| (d) Short term provisions | 273.24 | - |
| **Sub total - Current liabilities** | **60,763.72** | **56,919.88** |
| **TOTAL - EQUITY AND LIABILITIES** | ***191,859.08*** | ***184,741.43*** |
| **B. ASSETS** | | |
| 1. Non Current Assets | | |
| (a) Fixed Assets | 157,164.73 | 148,454.00 |
| (b) Non Current Investments | 5.10 | 5.10 |
| (c) Long term loans and advances | 2,025.01 | 2,134.43 |
| (d) Other non current assets | 1,128.08 | 704.42 |
| **Sub total - Non current assets** | **160,322.92** | **151,297.95** |
| **2. Current assets** | | |
| (a) Inventories | 16,795.95 | 16,559.74 |
| (b) Trade receivables | 11,678.37 | 9,458.13 |
| (c) Cash and Bank balances | 177.98 | 678.84 |
| (d) Short term loans and advances | 2,883.86 | 6,746.77 |
| **Sub total - Current assets** | **31,536.16** | **33,443.48** |
| **TOTAL ASSETS** | ***191,859.08*** | ***184,741.43*** |

V. SANKAR AIYAR & CO. MUMBAI CHARTERED ACCOUNTANTS

**For and on behalf of the Board of Directors**

Place : Mumbai
Dated : 25th May, 2016

**Pramod Kumar Jain**
**Chairman & Managing Director**

# DCW LIMITED

Registered office : Dhrangadhra - 363315 ( Gujarat )
Head Office :'Nirmal', Nariman Point , Mumbai - 400021.
Website : www.dcwltd.com , Telephone : 22871914/16.
Telefax : 22 22028838, E-mail : ho@dcwltd.com
CIN : L24110GJ1939PLC000748

(Rs. in lacs)

## EXTRACT OF AUDITED FINANCIAL RESULTS FOR THE YEAR AND QUARTER ENDED 31ST MARCH, 2016 :

| Particulars | Quarter Ended 31.03.2016 (Unaudited) | Year Ended 31.03.2016 (Audited) | Quarter Ended 31.03.2015 (Unaudited) | Year Ended 31.03.2015 (Audited) |
|---|---|---|---|---|
| 1. Total Income from operations (net) | 33,902.05 | 127,159.80 | 36,464.28 | 125,446.82 |
| 2. Net Profit from ordinary activities after tax | 357.69 | 1,854.58 | 1,761.51 | (592.17) |
| 3. Net Profit for the period after tax (after extraordinary items) | 357.69 | 1,854.58 | 1,761.51 | (592.17) |
| 4. Equity Share Capital of face value of Rs. 2/- each. | 4,393.63 | 4,393.63 | 4,269.89 | 4,269.89 |
| 5. Reserves (Excluding Revaluation Reserve as shown in the Balance Sheet of previous year) | - | 54,170.11 | - | 51,016.31 |
| 6. Earning Per Share before extraordinary items (of Rs. 2/- each) Basic and Diluted (Not annualised) | 0.17 | 0.86 | 0.83 | (0.28) |
| Earning Per Share after extraordinary items (of Rs. 2/- each) Basic and Diluted (Not annualised) | 0.17 | 0.86 | 0.83 | (0.28) |

NOTES :

The above is an extract of the detailed format of Standalone Audited Financial Results for the quarter and year ended on 31st March, 2016 filed with the Stock Exchanges under Regulation 33 of SEBI (Listing and Disclosure Requirements) Regulations, 2015. The full format of the Audited Financial Results for the quarter and year ended 31st March, 2016 are available on the Stock Exchanges websites (www.bseindia.com, www.nseindia.com) and the company website (www.dcwltd.com).

For and on behalf of the Board of Directors

Pramod Kumar Jain
Chairman & Managing Director

Place : Mumbai
Dated : 25th May, 2016